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POST OFFICE APPROPRIATION BILL, 1919

HEARINGS

BEFORE THE

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12/4
COMMITTEE ON
POST OFFICES AND POST ROADS
UNITED STATES SENATE
SIXTY-FIFTH CONGRESS

SECOND SESSION

ON

H. R. 7237

AN ACT MAKING APPROPRIATIONS FOR THE SERVICE OF THE
POST OFFICE DEPARTMENT FOR THE FISCAL
YEAR ENDING JUNE 30, 1919, AND FOR
OTHER PURPOSES.

FEBRUARY, 1918



WASHINGTON
GOVERNMENT PRINTING OFFICE
1918

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1919-2

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CECIL A. BEASLEY, *Clerk*.

ERNEST V. OTTS, *Assistant Clerk*.

D. of W.
JAN 3 1920

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POST OFFICE APPROPRIATION BILL, 1919.

WEDNESDAY, FEBRUARY 13, 1918.

UNITED STATES SENATE,
COMMITTEE ON POST OFFICES AND POST ROADS,
Washington, D. C.

The committee met, pursuant to call, at 10 o'clock a. m., in the committee room, Capitol, Senator John H. Bankhead presiding.

Present: Senators C. A. Swanson, T. W. Hardwick, J. K. Vardaman, J. W. Weeks, C. E. Townsend, and J. I. France.

The CHAIRMAN. Gentlemen, this meeting is for the purpose of hearing certain gentlemen who represent certain interests with which the Post Office bill will deal. We will first hear Mr. Gibbons.

STATEMENT OF MR. WILLIAM F. GIBBONS, SECRETARY OF THE UNITED NATIONAL ASSOCIATION OF POST-OFFICE CLERKS, WASHINGTON, D. C.

The CHAIRMAN. I suppose your purpose is to show that your people are entitled to more pay?

Mr. GIBBONS. Well, Mr. Chairman, I hope to be able to do that.

The CHAIRMAN. Proceed, then.

Mr. GIBBONS. Mr. Chairman and gentlemen of the committee, I have no desire to take up the time of the committee with any extended arguments in behalf of increased compensation for post-office employees, but as a national officer and the representative of the United National Association of Post-Office Clerks, an organization composed of approximately 27,000 post-office clerks in the first and second class post offices throughout the country, I would be remiss in my duty if I did not call your attention to a few facts and figures that I believe are significant.

Senator VARDAMAN. Just at that point, are you not speaking for the clerks in the other post offices? Only for first and second class?

Mr. GIBBONS. The first and second class post-office clerks are in the classified service.

The CHAIRMAN. The representatives of the others are here.

Mr. GIBBONS. The other representatives are here. The object of our organization is to improve the efficiency of the postal service, to unite fraternally all post-office clerks in the United States for the protection of themselves and their dependents in the event of death or disability; to secure through cooperation with the Post Office Department and Congress the classification of post-office clerks with a view to securing more adequate salary rates, regulation of hours of labor, the upholding at all times of the civil-service rules and regulations, and such other objects as may from time to time arise.

I do not believe that there is a member of this committee who believes that these faithful and efficient employees are not deserving of a substantial increase in salary. That this same belief is universal

was plainly evidenced by the fact that upward of 150 Members of Congress personally appeared at the hearings on the Madden reclassification bill (H. R. 1654), held before the special subcommittee of the Committee on Post Offices and Post Roads of the House of Representatives on December 17, 18, and 19, 1917, to urge the subcommittee to favorably report the Madden bill.

Petitions signed by more than 50,000 post-office clerks and city letter carriers in the first and second class post offices throughout the country, requesting favorable action on the Madden bill, were presented to the committee by Mr. Cantwell, national secretary of the Letter Carriers' Association, and myself, in behalf of the post-office clerks. Numberless other petitions and letters from chambers of commerce, bankers, manufacturers, and large business institutions were also presented to the committee. One petition in particular contained the signatures of more than 50,000 residents of the State of New Jersey.

I am simply calling your attention to these in order to show that the sentiment in favor of a substantial increase in salary for postal employees is universal. That post-office clerks are not receiving adequate compensation is clearly evidenced by the large number of resignations from the service the last few years. During the fiscal year 1916, 1,171 clerks resigned from the service, and during the fiscal year 1917, 2,020 clerks resigned, while 1,559 clerks resigned during the period from July 1, 1917, to and including December 1, 1917.

Senator HARDWICK. What is the total number of clerks?

Mr. GIBBONS. Forty-two thousand—slightly over that. As most of these resignations came from the younger men in the service, it will be only a matter of time until the efficiency of the service will be greatly impaired.

Senator WEEKS. Don't they come largely from those men who have recently entered the service and were receiving the lower pay?

Mr. GIBBONS. Well, they run all the way from an average in different grades, according to the official reports from the department, to the \$1,600 grade. There are very few resignations in the grades above \$1,600.

Senator WEEKS. Don't a great many more \$900 men resign than \$1,200 men?

Mr. GIBBONS. I should assume there are more in the \$900 and \$1,000 grades.

Senator VARDAMAN. There are really very few among the better paid men?

Mr. GIBBONS. There are some in the higher grades.

Senator VARDAMAN. But comparatively few?

Mr. GIBBONS. Yes; comparatively few.

Senator WEEKS. I think it would be informing to the committee to put in the record the rate of pay which the clerks were receiving when they resigned.

The CHAIRMAN. I think that would be illuminating myself. You can supply that, can't you?

Mr. GIBBONS. Yes; I think we can get that on page 14 of the hearings before the House committee and submitted by First Assistant Postmaster General Koons.

Senator HARDWICK. Suppose you put that in in connection with your remarks.

Mr. GIBBONS. This information is not available except through the courtesy of the department and I think the First Assistant Postmaster General will be glad to furnish this information for the Senators.

The post-office clerks do not receive any sick leave with pay, and only receive 15 days' vacation, while other Government employees receive 30 days' annual vacation, in addition to the Saturday half holidays, and 30 days' sick leave. Practically 70 per cent of the post-office clerks are compelled to work at night, and nobody will deny that night work is not only unnatural but detrimental to the health as well. In addition, post-office clerks are obliged to take scheme examinations, and, as a consequence, clerks are obliged to devote many hours of spare time while off duty to the studying of these schemes. These schemes consist of the names of thousands of post offices in every State, and a rating of not less than 95 per cent must be attained, besides throwing correctly not less than 16 cards per minute.

In connection with the scheme examination I would like to include in the record case examinations taken at Minneapolis, Minn.

Senator HARDWICK. All right, do that.

The CHAIRMAN. Put that in the record.

Mr. GIBBONS. Yes. There are 16 or 18 clerks that attained an average of 99 per cent in the case examinations; they handled all the way from 700 to 2,000 cards.

The case examinations referred to follow:

CASE EXAMINATIONS HELD AT MINNEAPOLIS, MINN.

Statement of case examinations of clerks in the Division of Mails who attained averages of 99 per cent and threw 16 or more cards correct per minute.

NOVEMBER, 1917.

Clerk and nature of examination.	Cards handled.	Per cent correct.	Cards correct per minute.
E. H. Boxrud, South Dakota.....	758	100.00	25.26
E. A. Gardner, Minnesota.....	1,377	99.92	35.28
P. A. Olson, Wisconsin.....	1,219	99.91	27.68
M. J. Harkin, Minnesota.....	1,377	99.78	28.04
A. G. Carlson, Conn. Sta.....	447	99.77	49.55
L. C. Swenson, city.....	2,000	99.70	28.48
J. O. Hokanson, Minnesota.....	1,374	99.70	29.78
A. G. Carlson, city primary.....	1,000	99.70	39.88
E. H. Boxrud, North Dakota.....	875	99.65	29.72
Albert Holmes, city.....	2,000	99.55	26.90
J. A. Jacobson, city.....	2,000	99.55	33.18
Wm. Dewars, North Dakota.....	875	99.42	24.86
H. O. Dahl, city.....	2,000	99.10	26.19

DECEMBER, 1917.

Aaron Jacobs, Montana.....	1,108	99.81	28.97
E. D. Norman, North Dakota.....	875	99.77	33.57
J. F. Vogt, Minnesota.....	1,378	99.67	31.18
J. E. Blair, city.....	2,000	99.55	24.20
C. R. Melxner, Fourth Avenue section.....	600	99.50	37.31
P. L. Jacobson, South Dakota.....	758	99.34	32.52
A. D. McDonald, South Dakota.....	759	99.33	26.00
W. A. Colter, North Dakota.....	875	99.31	29.97
G. N. Jones, North Dakota.....	876	99.09	32.15
W. F. Klittel, South Dakota.....	759	99.08	35.81
C. E. Boxwell, Minnesota.....	1,378	99.02	20.98

In view of all this it behooves Congress to reclassify the postal employees and make the entrance salary high enough to attract bright and ambitious young men to take the civil-service examination and qualify for the various positions in the Postal Service, thus making it possible to maintain a high standard of efficiency in the greatest postal service in the world.

It is a well-known fact that wages of employees in all other lines of endeavor have been increased from 15 per cent to as high as 50 per cent since 1915. In addition to raising the wages of their employees many corporations have given their employees a bonus at the end of the year, while post-office clerks and city letter carriers have not been reclassified since 1907, except the abolishment of the \$600 grade in 1912. That is, the entrance grade was abolished and made \$800.

In considering this question of increased compensation for postal employees the committee should realize that, contrary to expectations, the Postal Service is a revenue-producing institution. The report of the Postmaster General for the fiscal year ending June 30, 1916, showed a surplus of \$5,829,236.07, while the report of the Postmaster General issued in November, 1917, for the fiscal year ending June 30, 1917, shows an audited surplus of \$9,836,211.90. This surplus is the largest in the history of the Postal Service.

The Government should be a model employer. Competent men are indispensable to good service, and fair wages are absolutely necessary in order that a postal employee can meet the high cost of living and maintain his family in a manner consistent with the standard of living that is expected of a Government employee.

On broad lines, the post-office clerks and city letter carriers are entitled to be reasonably well paid. On economic grounds, the standard of living, the social status required of a Government employee, and the war-time cost of clothing, food, and other necessities, justify a revision of the classification law now in force.

The question is, What is reasonable? and, in our opinion, a reasonable advance is warranted, and should be granted without any more delay than is consistent with businesslike consideration and judgment.

In conclusion, I would ask that the committee recommend that the salary grades of the Madden bill be inserted in the Post Office appropriation bill now before you. By so doing you will do tardy justice to a faithful army of Government employees. I, therefore, recommend that the clerks in the first and second class post offices, and city letter carriers in the City Delivery Service, shall be divided into six grades, as follows: First grade, salary, \$1,000; second grade, salary, \$1,100; third grade, salary, \$1,200; fourth grade, salary, \$1,300; fifth grade, salary, \$1,400; sixth grade, salary, \$1,500. Clerks and carriers shall be promoted successively to the sixth grade.

Senator HARDWICK. That is exactly the language of the Madden proposition?

Mr. GIBBONS. Yes sir.

Senator HARDWICK. Now, will you tell me, take this first grade, \$1,000, what is the increase?

Mr. GIBBONS. The entrance grade now is \$800.

Senator HARDWICK. That is 25 per cent increase. The second grade is how much?

Mr. GIBBONS. The second grade is now \$900, and under the new law would be \$1,100.

Senator HARDWICK. Twenty-two and one-half per cent. The third grade, what is it?

Mr. GIBBONS. The third grade now is \$1,000.

Senator HARDWICK. What is the fourth grade?

Mr. GIBBONS. The fourth grade now is \$1,100.

Senator HARDWICK. The fifth grade is \$1,200, and the sixth grade—

Mr. GIBBONS (interposing). The fourth grade is \$1,300.

Senator HARDWICK. But I am speaking of what it used to be.

Mr. GIBBONS. The present classification law does not go higher than \$1,200.

Senator HARDWICK. You don't go higher than the fifth grade?

Mr. GIBBONS. Not higher than \$1,200.

Senator HARDWICK. In other words, under the classification law, the fifth grade is the highest?

Mr. GIBBONS. That is correct. In the \$1,300 grade and above there are special clerks, foremen, and supervisory officials. Congress provides the appropriation, and the department makes those promotions from the efficient clerks in the \$1,200 grade.

Senator HARDWICK. Now, the highest-priced men—that is, 16½ per cent increase.

Mr. GIBBONS. Not above that. In fact, it would not average that this year, you know, because if this law is adopted, the entrance grade would be \$1,000. Of course, the \$800 man would go to \$1,000, the \$900 man also to \$1,000, and the \$1,000 man to \$1,100, while the \$1,200 man would go to \$1,300.

Senator HARDWICK. No; he would go to \$1,400, wouldn't he?

Mr. GIBBONS. No, Senator.

The CHAIRMAN. There is an advance of \$100 in each grade.

Mr. GIBBONS. In each grade from \$900 up, until the maximum of \$1,500 is reached.

Senator HARDWICK. But there is an advance over the present salaries, under the present law, of \$200?

Mr. GIBBONS. That is, from the \$800 to \$1,000 grade.

Senator HARDWICK. Then, after that the advance is \$100?

Mr. GIBBONS. Yes, sir.

Senator HARDWICK. The people you propose to pay \$1,000 under this bill, the first grade—they are paid now \$800?

Mr. GIBBONS. Yes, sir.

Senator HARDWICK. The second grade, that you propose to pay \$1,100, are paid \$900?

Mr. GIBBONS. Yes, sir.

Senator HARDWICK. The third grade, that you propose to pay \$1,200, are paid \$1,000?

Mr. GIBBONS. Yes, sir.

Senator HARDWICK. The fourth grade, where you propose to pay \$1,300, are paid \$1,100?

Mr. GIBBONS. Yes, sir.

Senator HARDWICK. That is a \$200 increase there. The fifth grade, where you propose to pay \$1,400, are paid now \$1,200?

Mr. GIBBONS. Yes, sir.

Senator HARDWICK. And the sixth grade?

Mr. GIBBONS. The sixth grade would be \$1,500.

Senator HARDWICK. There is no grade like that, but a few special clerks get \$1,300. So that is still a \$200 increase in each case, over and above the rates now fixed by law?

Mr. GIBBONS. If the Senator would advance everybody in the \$1,200 grade to \$1,400.

Senator HARDWICK. I mean, it advances the grades—

Mr. GIBBONS (interposing). Yes; it advances the grades.

Senator HARDWICK (continuing). \$200?

Mr. GIBBONS. Yes.

Senator HARDWICK. Which is an increase beginning at 25 per cent and the lowest at 16 $\frac{2}{3}$ per cent?

Mr. GIBBONS. Yes; that is right. You see, the first grade, the entrance grade, from 1907 until 1912, was \$600; then you jumped from \$600 to \$800, because Congress in 1912 abolished the \$600 grade and made the entrance or first grade \$800.

Senator HARDWICK. Now these rates in the Madden amendment are perfectly satisfactory to the clerks and carriers?

Mr. GIBBONS. Yes, sir; if enacted into permanent law.

Senator HARDWICK. Now, if Congress is to enact these things into law at all, don't you think we had better have a proper appropriation? What is the good of a bill in this form without an appropriation?

Mr. GIBBONS. I think a provision should be inserted in the bill so that every clerk and carrier entitled to promotion should receive the same as soon as the bill is enacted into law.

Senator HARDWICK. There is no appropriation carried in the Madden bill. If you got the Madden bill enacted into law, my opinion is, offhand, that then you would have to have a fight, probably, before the Appropriations Committees of the two houses to get the money.

The CHAIRMAN. You can't put an appropriation in there until you get an estimate of what it will amount to.

Senator HARDWICK. Of course, we will have to get an estimate and see how much money it will take to carry this amendment, if it is adopted.

Senator WEEKS. Do you know how much additional appropriation would be required if the Madden bill were adopted?

Mr. GIBBONS. I think this year—the first year's adoption of the law would take practically about \$7,000,000.

Senator HARDWICK. You mean for your people?

Mr. GIBBONS. For clerks and carriers.

Senator VARDAMAN. How much?

Mr. GIBBONS. Approximately \$7,000,000. It would be less than the horizontal increase provision of a flat increase of 10 and 15 per cent. It would be less than that, and, of course, it would meet more with the approval of the men because if made permanent law it would be something that they could look forward to, instead of coming back here next year, if the other increase proved inadequate, and asking you for another 10 or 15 per cent. The desire of the men is that the salary provision of the Madden bill be enacted into permanent legislation, which would avoid the necessity of coming here again next year and asking for an additional increase.

Senator VARDAMAN. If we don't do it, you think they will come back?

Mr. GIBBONS. Well, I hope—

Senator VARDAMAN (interposing). I say, if we do not do it, you think it is quite likely they will come back?

Mr. GIBBONS. There is no question of it.

Senator HARDWICK. It is almost a war proposal, Mr. Gibbons; isn't it on account of the increase of the cost of living brought on by war conditions?

Mr. GIBBONS. Yes, sir; and an absolute necessity.

Senator HARDWICK. Then, if peace conditions return, we would not be committed to this proposition at all. It will be an open question.

Mr. GIBBONS. It would be a very easy matter to adjust things. But at the present outlook, it looks as though it might be several years.

Senator HARDWICK. Well, we don't know about that. This bill of Mr. Madden's provides that this thing shall continue in effect only during the war, and 90 days thereafter.

Mr. GIBBONS. Yes, sir; but we hope you gentlemen will eliminate the war provision and make it permanent legislation for the benefit of the men and the good of the service.

Senator HARDWICK. In other words, a war measure.

Mr. GIBBONS. It is a war measure the way it is now. I might say, for the members, that this does not meet the approval of the men throughout the country—the war measure part of it. This Madden bill was introduced before we entered the war. In fact, the men had found for some few years back that they couldn't exist on the wages, and the resignations from the service will justify that statement. And I might add now that there are numberless clerks and carriers throughout the country who are only remaining in the service in the hope that this Congress is going to do something for them. They have been led to believe that. We have, in our letters to them and in our monthly journal, led them to believe this Congress was going to do something—give them a substantial increase—and we would like, if possible, to retain the good men in the service. I have been in the service for 19 years, and when a person spends that length of time in the service, you are more or less interested in the service, especially if you want to see the service succeed.

Senator HARDWICK. Are you in the service now?

Mr. GIBBONS. No, Senator; I haven't been in the service since, September, 1917. Our organization at Fort Worth, Tex., established a permanent office here and made me secretary.

Senator WEEKS. Mr. Gibbons, the table to which you referred, on page 13 of the House hearings, does not give the information which I inquired about. It gives the total number of resignations as you stated them, but it doesn't give the resignations by grades, and that is what I want. That is what I would like to know—how many \$800, how many \$900, how many \$1,000.

Mr. GIBBONS. The only possible way to get that, I thought, was there. I understand that the department officials are to be heard here, and probably Gen. Koons, the First Assistant, would be very—

Senator HARDWICK (interposing). You couldn't give that?

Mr. GIBBONS. No, Senator.

Senator HARDWICK. They can furnish that?

Mr. GIBBONS. Yes; and I know they will be glad to.

Senator WEEKS. Mr. Chairman, will you have the clerk ask the department to furnish the information about the grades—the number in each grade that resigned, both clerks and carriers?

(The matter referred to is here printed in full, as follows:)

Statement showing number of post-office clerks and city letter carriers in the \$800, \$900, and \$1,000 grades resigned and removed from the service during the fiscal years 1916 and 1917, and the six months July 1 to December 31, 1917.

POST-OFFICE CLERKS.

Grades.	Resigned.			Removed.		
	Fiscal year 1916.	Fiscal year 1917.	6 months, July 1 to Dec. 31, 1917.	Fiscal year 1916.	Fiscal year 1917.	6 months, July 1 to Dec. 31, 1917.
\$800.....	381	889	1,032	25	64	62
\$900.....	130	164	150	23	16	9
\$1,000.....	179	203	65	25	30	14
Total.....	690	1,256	1,247	73	110	85

CITY LETTER CARRIERS.

\$800.....	69	144	171	17	28	13
\$900.....	41	48	64	26	16	6
\$1,000.....	80	73	44	39	22	14
Total.....	190	265	279	82	66	33

NUMBER IN GRADES DEC. 31, 1917.

	\$800 grade.	\$900 grade.	\$1,000 grade.
Clerks.....	5,076	2,413	1,918
Letter carriers.....	2,673	1,881	1,262

The CHAIRMAN. We are very much obliged to you.

Mr. GIBBONS. Mr. Chairman and gentlemen of the committee, I thank you.

The CHAIRMAN. We will next hear Mr. Cantwell.

STATEMENT OF MR. EDWARD J. CANTWELL, SECRETARY OF THE NATIONAL ASSOCIATION OF LETTER CARRIERS, WASHINGTON, D. C.

Senator HARDWICK. Your statement is on this same subject that this gentleman has spoken on?

Mr. CANTWELL. Yes.

The CHAIRMAN. Proceed, Mr. Cantwell.

Mr. CANTWELL. Mr. Chairman and members of the committee, I am here this morning by invitation of the honored chairman of your committee, in order to submit a statement of facts regarding conditions of employment in the Postal Service as they affect letter carriers in the City Delivery Service, and at the same time to urge your

committee to give favorable consideration to the provisions contained in the bill of Representative Madden, of Illinois, H. R. 1654.

I desire first to draw the attention of the committee to the class of men that the working force of the Postal Service is recruited from. In order to qualify for the position of letter carrier or post-office clerk, applicants must be between the ages of 18 and 45 years. They must measure not less than 5 feet 4 inches in height and weigh not less than 125 pounds. They are required to pass a strict physical examination under the supervision of a practicing physician, and furnish a medical certificate with their application papers. They must be free from any ailment or diseases that would make them incapable of performing laborious work. They are also required to pass a mental examination. They must be citizens of the United States, of good moral character, and be vouched for by at least two other citizens. They are required to enter into a competitive examination for a place on the eligible register for appointment.

Thus it will be seen that the Government, through a process of elimination, secures the best available talent in cities where civil-service examinations are held. At the hearings before the Committee on the Post Office and Post Roads on January 7, 1918, First Assistant Postmaster General Koons stated that "the employees of the Postal Service, considered as a class, are a very high grade of men, and I don't believe that, as a body, their equal could be found in any other profession or trade."

I now desire to draw the attention of the committee to the length of time it takes a letter carrier to reach the maximum grade of \$1,200. A letter carrier is first appointed as a substitute, and serves an apprenticeship of approximately four years at a wage that will not average more than \$420 a year. He may be required to report for duty each day, whether he is assigned to employment or not. When he receives a regular appointment he starts in at an initial salary of \$800 per annum, and if he renders efficient service and measures up to the standard required of him he receives annual automatic promotions of \$100 until he reaches the \$1,000 grade in second-class offices and the \$1,100 grade in first-class offices. His promotion to the \$1,100 grade in second-class offices and to the \$1,200 grade in first-class offices depends on the action of Congress in making appropriations for promotion to these grades.

During the first nine years of their service these employees average \$742.22 per annum, as will be noted by the following table:

\$35 per month.	
12 months.	
<hr/>	
420 per annum.	
4 years.	
<hr/>	
1, 680 salary for 4 years as substitute.	
800 salary first year as regular.	
900 salary second year as regular.	
1, 000 salary third year as regular.	
1, 100 salary fourth year as regular.	
1, 200 salary fifth year as regular.	
<hr/>	
9) 6, 680 total salary for 9 years.	
<hr/>	
742. 22 average annual salary for 9 years.	

A letter carrier is paid for the actual time he is employed. Should he be off duty on account of sickness, or for any other cause except an annual vacation of 15 days, the time he loses is deducted from his salary.

He finds it necessary to purchase two uniforms each year at his own expense at an approximate cost of \$50. He wears out on an average a pair of shoes each two months.

It requires no great amount of inquiry to demonstrate from this statement of facts that the earning capacity of letter carriers under the present salary law is limited to a very low scale.

Postal employees are confronted with the problem of making their inadequate pay support themselves and their families in a manner befitting employees of the Government. Since the enactment of the classification law of March 2, 1907, the purchasing power of the dollar, measured in retail prices of food and the necessities of life, has greatly diminished. Bulletin 194 of the Bureau of Labor Statistics, Department of Labor, page 20, contains the statement that between 1907 and 1915, the retail prices of food advanced 23 per cent; from 1915 to 1916 the report of the Bureau of Labor Statistics shows an increase of 16 per cent in the retail prices of articles of food, and from September, 1916, to September, 1917, an increase of 29 per cent, or an approximate total of 68 per cent increase in the prices of food alone since 1907, the time that the present salary schedule went into effect.

These figures do not take into consideration other necessary commodities that go to make up the every-day life of men who toil. To meet the increased cost of living private employers have from time to time granted an increase in wages to their employees, while no increases have been allowed the employees in the postal service to offset the steadily diminishing value of their fixed compensation.

Postal employees must bear the burden and hardship incident with the increased cost of living until the Congress acts on their petition for relief. They have no other recourse but to await the will and judgment of the Representatives of the people. The salaries of these employees are fixed by law, and it requires the lawmaking body to readjust them. The salaries now paid are not sufficient to educate the children and maintain a family in a manner in keeping with an employee of the Government. Many of the most efficient employees have resigned from the postal service to accept positions where the compensation and inducements are more attractive.

This condition should not prevail, as the best skill obtainable is none too good for the public service, and the salaries and working conditions and opportunities for promotions should be such as to induce a high grade of men to enter the service, and to continue in it and make it their life work.

With the prevailing wages offered in the commercial field, the Post Office Department can not secure sufficient competent help to keep the Postal Service properly manned. There is no inducement offered young men, who would make efficient employees, to enter the service.

I received information from the Civil Service Commission a few days ago that great difficulty is experienced in securing eligibles all over the country. Experience shows that a great number of men, who are offered appointments, refuse them when they are made acquainted with the salaries and conditions of employment.

I was also informed that in a number of cities the eligible lists are practically exhausted. In the larger offices and industrial centers, postmasters are compelled to take, without examination, almost any kind of help, and do the best they can with it.

The letter carriers of the country as individuals, and through their local and national associations, subscribed to the limit of their small savings in liberty bonds. A great majority of them are members of the American Red Cross and each of them is acting as a selling agent for war-savings stamps. The cooperation of the National Association Letter Carriers is sought by the Internal Revenue Bureau in acquainting the public with the necessity for making returns and paying the income tax. The letter carriers' musical organizations throughout the country volunteer their services for public demonstrations in every patriotic movement to arouse public sentiment.

I merely cite these instances to draw the attention of the committee to the valuable services that are being rendered to the Government during these times of stress by the letter carriers and to state that such a body of men should be kept together if possible. This organization should not be weakened by loss of the most efficient employees on account of inadequate pay to provide for their families.

That the enactment into law of the provisions of H. R. 1654 will result in benefit to the Postal Service there can be no doubt. The classification law of 1907 was enacted on the recommendation of the Post Office Department officials. The reports of the Postmaster General and the First Assistant Postmaster General for the years 1907 and 1908 contain favorable comment upon the good results obtained from the increased wages. It was stated at that time by these officials that the new law accomplished much toward raising the efficiency of the post offices to a higher standard, and placed the position of postal employees on a substantial and satisfactory basis and made it possible for the department to retain efficient clerks and carriers and to induce other high-grade men to secure employment in the service.

The letter carriers of the country are looking anxiously to Congress for relief. Their petitions for readjustment of salaries are extremely modest under the existing conditions. They ask that the entrance salary be fixed at \$1,000, with promotions each year of \$100 as a reward for efficient service, with a maximum grade of \$1,500. This will insure stability to the service, as the annual automatic increases will be an inducement for young, competent men to enter, with the intention of making the service their life work. It will also be a measure of relief to the men who have continued in the service and have been working for a wage less than that paid for the commonest kind of labor.

I submit herewith for your information a copy of a memorial adopted by the national convention of the National Association of Letter Carriers, held in Dallas, Tex., September 3 to 8, 1917. This memorial was presented to the Postmaster General on December 5, 1917, accompanied by a petition bearing the signatures of more than 28,000 letter carriers employed in the city delivery service.

The CHAIRMAN. Put that in the record.

(The memorial referred to is here printed in full, as follows:)

MEMORIAL.

The National Association of Letter Carriers, in convention assembled at Dallas, Tex., September 3-8, 1917, representing the city letter carriers of the United States, extend to you our cordial greetings and tender our cooperation toward the continued success of the Postal Service.

No business can achieve any great amount of success unless conducted in the interest of its patrons, with a concern for the welfare of the employees, and to their complete satisfaction, and we are proud to be a component part of the great army of employees who have met the exacting demands of the public for a safer and more expeditious handling of the mails. It affords us genuine satisfaction to note the approval and appreciation of the American people for this service in the steady and increasing revenues and growth of the service for a period of 10 years, as outlined in the reports of the First Assistant Postmaster General and the Auditor for the Post Office Department for the fiscal year ending June 30, 1916.

Carrier service, fiscal years 1907 to 1916, inclusive.

	Offices.	Carriers.	Cost of service.		Offices.	Carriers.	Cost of service.
1907.....	1,240	24,577	\$21,170,204	1912.....	1,621	29,962	\$34,152,518
1908.....	1,330	26,352	26,258,039	1913.....	1,675	30,923	36,800,544
1909.....	1,440	27,620	27,728,123	1914.....	1,759	32,923	40,398,621
1910.....	1,492	28,715	31,681,591	1915.....	1,808	32,902	42,458,003
1911.....	1,541	29,168	32,970,451	1916.....	1,864	34,114	43,136,818

Comparison postal receipts, expenditures, etc., 1907 to 1916, inclusive.

	Estimated population.	Audited revenue.	Audited expenditures.	Audited surplus.	Audited deficit.
1907.....	87,373,000	\$183,585,005.57	\$190,238,288.34	.....	\$6,692,031.47
1908.....	89,013,000	191,478,663.41	208,351,886.15	.....	16,910,278.99
1909.....	90,662,000	203,562,381.07	221,004,102.50	.....	17,479,770.47
1910.....	92,318,000	224,128,657.62	229,977,224.50	.....	5,881,481.95
1911.....	93,983,000	217,879,823.60	327,648,926.68	\$219,118.12	.....
1912.....	95,656,000	246,744,015.88	248,525,450.08	.....	1,785,523.10
1913.....	97,337,000	266,619,525.65	262,067,541.33	4,510,650.91	.....
1914.....	99,027,000	287,934,565.67	281,541,789.16	4,376,463.05	.....
1915.....	100,725,000	287,248,165.27	298,546,026.42	.....	11,333,308.97
1916.....	102,431,000	312,057,688.83	306,204,033.14	5,829,236.07	.....

The results have been attained by the continued expansion, extension, and improvement of the City Delivery Service and the introduction and success of the parcel-post delivery.

Every improvement or extension of the service depends to a great extent on and adds to the burden of the letter carrier. This, coupled with the increasing demands and exactions for a higher standard of efficiency, entails upon him a greater amount of mental and physical effort than formerly, which has not been met by a proportionate increase in compensation.

After 18 years of agitation to secure an increase in salary, the city carriers were favored in 1907 by the enactment of the present salary law, with an entrance grade at \$600 per annum and a maximum grade at \$1,200 per annum.

This salary was considered fairly adequate for the needs of that day, and, with the exception of the elimination of the entrance grade at \$600, there has not been any change in this law.

Recognizing the steady increase in the cost of living commodities, employers in private industries have granted liberal increases in the salaries of employees, in many instances accompanying these increases with a reduction in the hours of labor.

Letter carriers, as representatives of the Government, are obliged to conduct themselves at all times in a manner which will reflect credit upon the service. They must meet their obligations promptly, live decently, and while on duty present a neat appearance in uniform, which they must purchase from their

salaries and which have advanced in price approximately 50 per cent since 1907. They must possess and wear other apparel which the ordinary citizen does not require, and their financial outlay in this respect is far in excess of that of employees in private occupations.

The following statistics, taken from the Monthly Review, issued by the Department of Labor, Bureau of Labor Statistics, and showing the increases in the cost of living commodities since 1907 and the reduction in the hours of labor and increases in compensation of employees in private industries, prove conclusively that the purchasing value of the salary of city letter carriers has diminished, and they have consequently suffered an actual reduction in salary.

Union wage rates and hours of labor, 1907 to 1916, and retail prices of food, 1907, to February, 1917.

	Rate of wages per hour.	Full-time hours per week.	Rates of wages per week, full-time.	Retail prices of food.
1907.....	100	100	100	100
1908.....	101	100	101	103
1909.....	102	99	102	108
1910.....	105	99	104	113
1911.....	107	98	105	112
1912.....	109	98	107	119
1913.....	111	97	109	122
1914.....	114	97	111	125
1915.....	115	97	112	123
1916.....	119	96	116	139
January, 1917.....				156
February, 1917.....				162

Wholesale prices, by groups of commodities, 1907-1916.

	Farm products.	Food, etc.	Clothes and clothing.	Fuel and lighting.	Drugs and chemicals.	Miscellaneous.	House furnishings.	All commodities.
1907.....	70	70	82	81	67	84	99	76
1908.....	69	74	75	78	70	80	95	74
1909.....	79	78	78	76	71	90	96	79
1910.....	84	79	79	72	72	96	94	81
1911.....	76	78	76	70	72	86	70	77
1912.....	82	85	78	77	71	84	90	82
1913.....	82	79	79	87	70	83	91	81
1914.....	85	81	78	80	72	81	94	80
1915.....	86	83	78	75	80	81	92	81
1916.....	100	100	100	100	100	100	100	100

This table shows the normal increase for a period of 10 years, but the following table for the year 1916 will demonstrate the imperative necessity for immediate and favorable action to provide an adequate increase in the salaries of letter carriers:

	Farm products.	Food, etc.	Clothes and clothing.	Fuel and lighting.	Drugs and chemicals.	House furnishings.	Miscellaneous.	All commodities.
1916.								
January.....	89	90	87	88	98	95	89	89
February.....	89	90	89	89	101	95	88	90
March.....	91	91	92	90	103	95	91	92
April.....	93	93	94	91	105	99	92	94
May.....	95	94	96	90	107	99	95	96
June.....	95	94	97	91	106	99	100	96
July.....	96	96	99	91	100	101	101	97
August.....	103	101	100	92	92	101	103	100
September.....	107	106	103	96	92	101	105	103
October.....	111	111	108	111	95	104	110	108
November.....	118	119	114	130	99	104	112	116
December.....	116	115	122	141	100	104	113	118

Presenting this memorial to you, we respectfully appeal, on behalf of the city letter carriers of the United States, that legislation be enacted providing for the readjustment of the salaries of city letter carriers, and that they be granted an increase in salary commensurate with the additional and more exacting duties which they are now performing, and that this increase be sufficient to at least meet the gradual and continued increase in the cost of all living commodities since the salary legislation of 1907 was enacted.

Again assuring you of our hearty and sincere support and cooperation in rendering to the American people the best and most efficient postal service in the world, we remain,

Very respectfully,

EDW. J. GAINOR, *President.*

ED. J. CANTWELL, *Secretary.*

(Executive board: R. F. Quinn, Wm. Maher, F. M. Truax, J. S. Foley, and C. F. Stinson.)

The CHAIRMAN. Does anybody wish to ask Mr. Cantwell any questions? Are you through with your statement, Mr. Cantwell?

Mr. CANTWELL. Yes, sir.

Senator WEEKS. This letter, which has been handed to me from the Postmaster General, contains what I want in the assistant postmaster and substitute classes, but not in the clerks and carriers. The resignations in each grade are not included, and I should like to have that done.

The CHAIRMAN. We will ask to have that.

(The table referred to will be found printed in full on page 12 of this volume.)

Senator WEEKS. There is one other thing in this letter that I would like to call to the chairman's attention which you may not have noticed, that the men who have gone into military service are carried evidently in the department as having been dropped. There are 967 clerks and 413 carriers dropped, and it is noted that this includes those who have gone into military service. I think those men should be carried under the heading of "Entered the military service," and it should be a roll of honor rather than be carried as "Dropped from the service."

Senator VARDAMAN. I think you are right about that.

The CHAIRMAN. We will bear that in mind, Senator.

Mr. CANTWELL. I desire to thank the committee for the opportunity to present the case of the city letter carriers and for your courteous consideration.

The CHAIRMAN. We are very glad to have heard you and will give the matter very careful consideration. We will next hear Mr. Ryan.

STATEMENT OF MR. E. J. RYAN, PRESIDENT OF THE RAILWAY MAIL ASSOCIATION, WASHINGTON, D. C.

Mr. RYAN. I am president of the Railway Mail Association, representing the clerks employed in the Railway Mail Service Division of the Post Office Department.

Mr. Chairman and members of the committee, in order to make my statement as brief as possible I have prepared certain items of interest which I shall submit. First is a list of the number of the employees in the Railway Mail Service, beginning with 1911, up to and including 1917. It shows an increase up to 1914 and then a decrease to the present time.

(The statement referred to is here printed in full, as follows:)

Number of employees, including supervisory officials, employed in the Railway Mail Service during the years—

1911	17,028
1912	17,075
1913	18,265
1914	20,311
1915	19,599
1916	19,318
1917	18,977
Number of surplus clerks resulting from reorganization	965
Number of surplus clerks accepting reduction in salaries on account of reorganization	266
Number of high grade clerks resulting from reorganization	1,007
Number of high grade clerks reassigned without change in salary	325
Number of high grade clerks unassigned	416

Also, for the convenience of members of the committee I have prepared another table which shows the average daily wage of the clerks in the several grades, there being 10 grades in our service, from grade 1 at \$900 to grade 10 at \$1,800.

(The paper referred to follows:)

Average daily wage of railway postal clerks in the various grades, and the number in each grade.

	Salary.	Number of clerks.	Average daily wage.		Salary.	Number of clerks.	Average daily wage.
Grade 1.....	\$900	915	\$2.50	Grade 6.....	\$1,400	856	3.88
Grade 2.....	1,000	60	2.88	Grade 7.....	1,500	7,587	4.16
Grade 3.....	1,100	771	3.00	Grade 8.....	1,600	540	4.44
Grade 4.....	1,200	4,158	3.35	Grade 9.....	1,700	1,872	4.72
Grade 5.....	1,300	1,624	3.61	Grade 10.....	1,800	412	5.00

This is a copy of a review from the latest bulletin issued by the Statistical Bureau of the Department of Labor, showing the cost of living, etc., and the changes in prices and percentages of increase.

(The paper referred to is here printed in full, as follows:)

PRICES AND COST OF LIVING.

[From the Monthly Review (January, 1918) of the Bureau of Labor Statistics, United States Department of Labor.]

RETAIL PRICES OF FOOD IN THE UNITED STATES.

The retail price of food as a whole shows a decrease of 1 per cent in November, 1917, as compared with the month previous. Of the 27 articles for which prices are reported to the Bureau of Labor Statistics 12 decreased in price, 4 remained the same, and 11 articles showed an increase as compared with October.

Pork chops decreased 11 per cent; hens, 5 per cent; sirloin and round steak, 4 per cent; flour, 3 per cent; and sugar, 2 per cent. Onions increased in price 18 per cent; lard and butter, 4 per cent each; eggs, 5 per cent; potatoes, 3 per cent; rice, 2 per cent; and meal, 1 per cent. Beans, bread, ham, and bacon remained the same price as in October.

In the year from November 15, 1916, to November 15, 1917, prices of food as a whole advanced 23 per cent. Potatoes is the only article that shows a decline in price. Corn meal advanced 87 per cent; bacon, 62 per cent; pork chops, 48 per cent; beans, 39 per cent; salmon, 38 per cent; milk, 33 per cent; and lard, 27 per cent.

Food as a whole was 48 per cent higher on November 15, 1917, than on November 15, 1913, and 46 per cent higher than on November 15, 1914. During this

four-year period, corn meal advanced 127 per cent; flour, 109 per cent; lard, 104 per cent; bacon, 77 per cent; sugar, 75 per cent; and potatoes, 72 per cent. No article declined in price.

Article.	1913 average for year.	Nov. 15, 1917.	Article.	1913 average for year.	Nov. 15, 1917.
Beef:			Milk, fresh, bottled (delivered).....quart.	.080	.119
Sirloin steak.....pound..	\$0.232	\$0.297	Eggs, strictly fresh.....dozen.	.397	.647
Round steak.....do.....	.202	.265	Flour, Pillsbury's Best.....barrel.	5.600	11.456
Pork:			Meal, corn, fine, yellow.....pound.	.034	.083
Chops, Chicago.....do.....	.190	.312	Beans, Navy, white.....do.....	.081	.187
Chops, New York.....do.....	.217	.339	Potatoes, white.....bushel.	.900	1.623
Bacon, sliced.....do.....	.294	.497	Sugar, granulated.....pound..	.049	.100
Ham, smoked.....do.....	.266	.445			
Lard, pure tub.....do.....	.160	.331			
Butter, creamery, extra.....do.	.362	.492			
Cheese, full cream, American.....pound..	.229	.374			

This table shows the increases in different industrial corporations during the period of the war. Some of those are quite old; that is, there have been additional increases granted in those corporations since that was prepared.

(The paper referred to is here printed in full, as follows:)

Salary increases and bonus to employees in industrial corporations during the period of the war.

	Per cent of increase.
Shipbuilding yards, Pacific coast.....	10-30
Atchison, Topeka & Santa Fe Railroad.....	10
American Clothing Co.....	35-40
Standard Oil Co.....	37
United States Envelope Co.....	12½
H. B. Smith & Co.....	30
Keith Paper Co.....	32
Iron and steel employees.....	52
Woolen manufacturing employees.....	45
Boot and shoe workers.....	31
Cotton industries.....	38
Hosiery workers.....	37
Silk workers.....	25
Gillett Razor Co. (in 1916).....	20
International molders.....	18½
Corn Products Co.....	17
Pullman Co.....	10
American Window Glass Co.....	10
Norfolk & Western Railway Co.....	30
The Hub Clothing Co., war certificates.	
Berkshire Cotton Co., six increases since 1916.	

The situation strikes me as making it unnecessary to go into any detailed explanation of the work of a railway mail clerk. I feel that the members of this committee are quite well informed along that line.

Briefly, the railway postal clerk is the employee of the service who distributes mail on moving trains. We have some of them assigned to terminal R. P. O's at the stations. Some idea of their work may be gained from the last report that is at hand of the Second Assistant Postmaster General covering the fiscal year 1916, telling the number of pieces of mail distributed and so on. It says [reading]:

Of the 14,369,582,586 pieces of mail matter distributed, and redistributed, 14,367,325,426 pieces, or 99.98 plus per cent were distributed and redistributed correctly.

Mr. VARDAMAN. What per cent was that?

Mr. RYAN. 99.98 plus. Almost a hundred per cent. These clerks are required to take case examinations in which they place cards with the names of the post offices in the cases under the supervision of the official examiner. This year there were 36,347 examinations of permanent railway postal clerks. They handled 30,401,141 cards, each card representing a post office of which 99.18 were handled correctly.

Last year's report shows that 35,658 examinations were held, the clerks handling thirty-one million-odd cards, and 99.03 per cent correct.

Then it speaks of probationary clerks, etc.

The CHAIRMAN. How many clerks are there in your service?

Mr. RYAN. The last year, 1917, actually employed 18,977. The year before that, 19,318. In 1915, 19,599, and in 1914, 20,311.

There has been a decrease in the number of employees, and the 1918 law, now in operation, compared with the appropriation bill now before this committee, shows that for 1919 the actual decrease is 1,026 more.

Senator SWANSON. What percentage of increase of work does that make that the clerks do now?

Mr. RYAN. It is rather difficult, Senator—in fact, impossible—to get a definite figure on the increase of mail matter annually, but the Post Office Department, as I understand it, usually figures about 10 per cent increase.

Senator SWANSON. As I understand it from this statement, the post-office work has increased, and the number of clerks doing the work has decreased.

Mr. RYAN. That is right.

Senator SWANSON. Which makes an increased efficiency for the postal railway clerks of the last year?

Mr. RYAN. Well, the railway postal clerks, speaking of an individual, is just as efficient as he ever was.

Senator SWANSON. I mean they do more work.

Mr. RYAN. And they are undoubtedly doing more work, but I think that is due to certain changes in the service, which, by the way, have not met with the approval of the employees.

Senator SWANSON. What are the changes in the service?

Mr. RYAN. Well, the principal change that could be mentioned is the reorganization of the service, whereby the clerks have been required to work a greater number of days per year on the road, for instance, these clerks work—well, take a line like the New York Chicago, the eastern division; with their organization they had six days of road service and then six days of rest and study. That has been changed so that the clerks now run six days on the road and get three days off. The effect of that where they had four crews in an organization was to reduce the organization to three crews, involving a certain number of men.

Senator SWANSON. Now, would they get any increase in pay for the additional three days' work instead of rest?

Mr. RYAN. No; they do not receive anything in the way of additional compensation. Many of the clerks, I believe, have had their hours increased. Even though the actual hours in the aggregate of the year on the road under a changed organization of that kind may not show an increase, it is quite apparent that it does involve added

time of the clerks, because three days between arduous tours of duty of that kind does not give them ample time for rest and study. And even on the night trains it is worse, because they can not get back to normal conditions in one or two days and get their minds rested so as to study their distribution and do their home work. There is considerable home work to be done. In fact, it is so lengthy that if I went into details in regard to it it would take too much of your time.

Senator SWANSON. Now, take six days of work, how many hours a day would you average work in those six days?

Mr. RYAN. Well, they are averaging now, according to the department, around 7 hours a day annually, but within the six days they run 12 and 14 hours, some of them higher, and maybe one or two of them lower. That is, per day.

Senator SWANSON. That is, that seven hours average includes the days that they are off also?

Mr. RYAN. Yes, Senator; that is on a 313-day per year basis.

Senator SWANSON. Now, they work these six days that they have active service, and you mean they work 12 to 14 hours per day then?

Mr. RYAN. Yes; some of them run higher. Then they get additional overtime in too, which is not considered, except that it is given as credit to the clerks in a sort of a matter of bookkeeping. Here is a letter that just came in this morning in which the clerk said that in a six-day tour of duty he made 22 hours and 18 minutes, running late, and so on. Then, he had 40 hours in January and 33 hours overtime in December. Then, he speaks about his mental and physical condition.

Senator VARDAMAN. What is this home work that you referred to?

Mr. RYAN. Now, Senator, probably I could give that briefly by referring to some of the general orders here. I do not know as I have got the complete order, but a railway postal clerk has to keep a record of all supplies for the post offices that come within the scope of his distribution. We have had clerks—I think a good many of them still—that run as high as 10,000 post offices. They have to have what we call a "scheme book." Every week the scheme changes come out for the various dates.

Now, the first column of the scheme gives the office; the second column gives the railroad train supply—that is, if it is on the line of any railroad—and then in the third column it gives all the other supplies for the office. The clerk takes a card which is just about the size of an ordinary calling card like this, for instance. [Illustrating.] He will write on the front of the card the name of the post office. He takes a scheme book and figures out from this, and also a train schedule, the very first supply of mail for that office from his standpoint, the train that he is running on, and the time of its arrival at the junction points, where he makes connections. Then he puts that supply on the back of the card. Now, the number of cards vary according to the number of offices in a State. Maine runs over 1,000; Massachusetts runs somewhere around 870; New York State will run into 4,000; Pennsylvania around 4,000—between 4,000 and 5,000; I think Ohio is around 2,500. It takes a number of days, sometimes weeks, of his time at home to get those cards prepared, and he will have a whole string of them, and it is a continual grind, time and time and time, over and over again, day after day.

Senator HARDWICK. So he will know how to handle the mail?

Mr. RYAN. So he will know how to handle the mail; yes. And then he has a map to get the locations. They have different schemes of memorizing. Some of them kind of run them into verse, etc.

Senator SWANSON. How often does he have to check those cards?

Mr. RYAN. He has to put up his examinations on distribution at least once a year. I think the existing system is an examination about every three months. Some of them will have four or five States. Now, I may say that the clerks on the larger lines distribute the city mail. In that case they have to know in some of these cities the city distribution, so that when the mail arrives it is just put into the post office, and they have on the packages that they make up carrier No. 1 or carrier No. 2, or whatever it may be. In Boston, for instance, the central part of the city, he distributes into carrier routes, and they know every bank and hotel and newspaper office and business house, blocks and streets and alleys and places, and where the numbers divide for the different carrier routes or stations; and it involves memorizing about 5,000 different items.

Senator VARDAMAN. That work is continuous? He never gets through with it?

Mr. RYAN. No; he never gets through.

Senator HARDWICK. Every time there is a change in a post office or a railroad schedule he has to get it?

Mr. RYAN. Yes; these changes come out every week. In fact, one of the great difficulties of the postal clerk's training is unlearning what he has learned and replacing it by a new supply.

Senator WEEKS. Hasn't that been particularly accentuated recently by the great number of changes in train schedules, the taking off of trains?

Mr. RYAN. That has added to it; and I may say that the space system has added to this work of the clerk, too. They have to keep up on the changes in the space system and authorizations on their line, and transfer clerks on all the trains running out of their stations.

The CHAIRMAN. Have you any statistics or any information that would show approximately the number of postal clerks that have been taken off, where trains have been discontinued? That is, where the mail trains have been discontinued, where the post-office clerk is taken off and the mail is supplied by closed pouch?

Mr. RYAN. That, Mr. Chairman, refers to what we call the "side lines"—small lines—and I have not been able to get that complete data. The reduction in R. P. O. service has been approximately 60,000 miles. I think, however, that the Post Office Department could supply that, as no doubt they have a record of it.

The CHAIRMAN. Well, we will get that.

Senator SWANSON. As I understand now, you work six days and they give you three days off. Heretofore you worked six days and they gave you six days off?

Mr. RYAN. Yes.

Senator WEEKS. That is not universal, however.

Mr. RYAN. That is not universal; that is one of the organizations. Some of them may have had a five or six-crew organization instead of a four.

Senator SWANSON. To what extent has there been a general reduction in the days off of active run? What would be the average?

Mr. RYAN. Well, it is impossible for me to give that information.

Senator SWANSON. Can you give it approximately?

Mr. RYAN. There have been a number of changes. I don't think I could give that with any degree of accuracy.

Senator SWANSON. Is it large or small?

Mr. RYAN. It is quite large, because the Post Office Department ordered a reorganization of the Railway Mail Service, and inspectors were sent out in each division and made recommendations for these changes in various lines.

Senator SWANSON. Now, this six days active service and three days off simply applies to the large lines where they have long hours and not to the short lines?

Mr. RYAN. Yes; that would apply to the longer lines where they have had that kind of an organization.

Senator SWANSON. Some of them are organized on that basis and others are not? You don't know to what extent?

Mr. RYAN. I don't know to what extent; no.

Senator SWANSON. Now, take the three days he is off, outside of resting up and getting into good mental and physical condition to do the work properly and efficiently, the rest of that three days is spent in equipping yourself and fixing these cards and getting posted on changes and routes?

Mr. RYAN. Yes, Senator; they have to keep up on that every day.

Senator SWANSON. The only chance you have to do that is the three days off?

Mr. RYAN. Yes. I am rather inclined to say that changes of organizations like that are going to decrease the efficiency of the individual clerk, because he can not get the time to attend to his home work the way it should be attended to; and it also is going to involve a great increase in hours, I think.

Senator SWANSON. To what extent have you had resignations in the Railway Mail Service?

Mr. RYAN. The resignations have been rather numerous. I presume they have just about doubled in the last six months. I think there is something in that letter there before you about that. I may say in this connection that this committee was kind enough last year to add a section to the bill which became a law, providing for the regular appointment of substitute railway postal clerks who have completed 315 days of actual service. The application of that law has not been satisfactory. Many of those clerks held on till the first of last July, expecting to get their regular appointments and their full salary of \$900 a year, but that has not been given to them, and a number of those men have since resigned.

Senator HARDWICK. Why wasn't that given?

Mr. RYAN. It is impossible for me to answer that question, Senator, except to say it was on account of the interpretation placed upon that law by the Post Office Department.

Senator HARDWICK. What interpretation did they place upon it?

Mr. RYAN. They went through the formality of appointing these substitute clerks.

Senator HARDWICK. Well, the law requires that.

Mr. RYAN. The law required that. And then they said that they would be paid for actual service performed. So that these men who should average \$2.50 a day really do not receive it.

Senator HARDWICK. Then, it defeats the intent of the law?

Mr. RYAN. Some of them make \$50 or \$60 a month instead of \$75. And a number of those men have since resigned, dissatisfied with the application of the law by the Post Office Department. Frankly, I am rather convinced in my mind from the intent of this committee and of Congress, as expressed in the discussion on that proposition, that the intention has not been met by the department.

Senator SWANSON. What amendment would you suggest to compel a compliance with the intention manifested by Congress in the enactment of that law?

Mr. RYAN. Well, I think if we put in the words there that these clerks should be regularly appointed to grade 1 at a salary of not less than \$900 per year that it would meet the situation.

Senator HARDWICK. I think so, too, and I think we ought to do it. It is absolutely necessary for us to keep this supply of substitutes there if they are going to keep this service efficient.

Mr. RYAN. In that connection I may say that the men in the service and who have been in it are rather fearful of the outcome. In fact, the conditions at present do not tend to efficiency in the service.

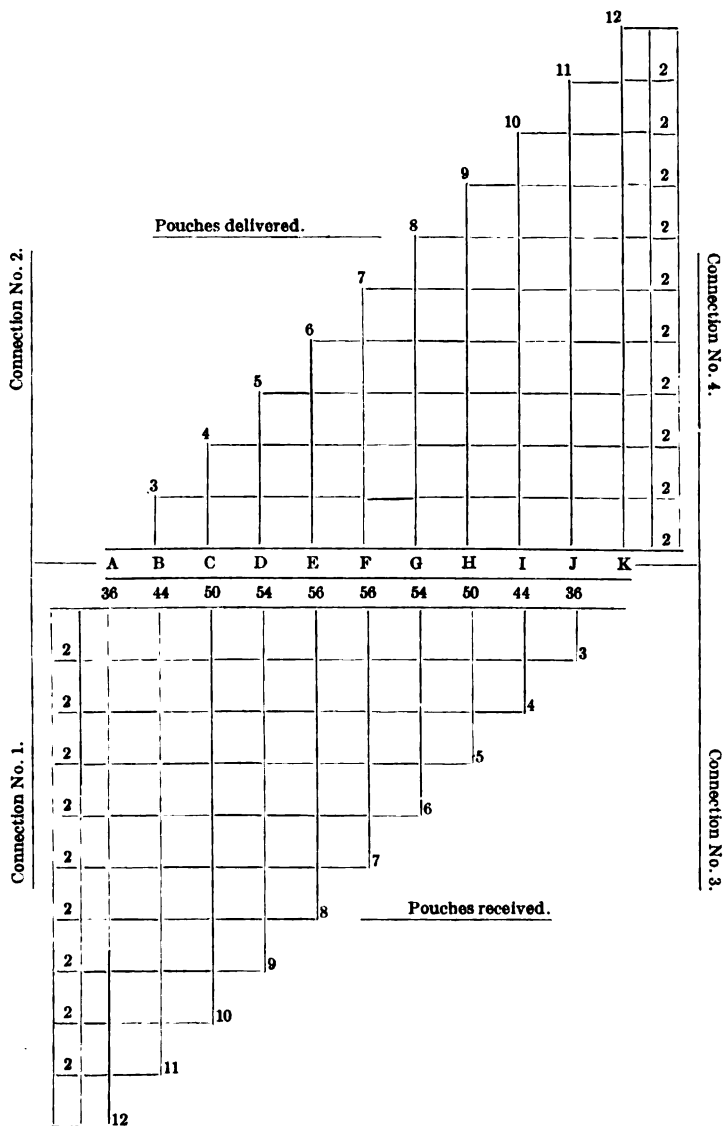
Senator HARDWICK. Now, let me ask you a few questions about this reorganization scheme of the department—of the Railway Mail Service. Now that scheme, as I remember it, has got two prominent features. First, the abolition of the number of short-line routes and the substitution of closed-pouch service for them. Can you furnish us any information from the standpoint of the railway mail clerks on that point, either now or later?

Mr. RYAN. I think, Senator, I have some information on that which shows the resulting conditions of discontinuance, and I think I can locate it.

Senator HARDWICK. Will you do that later, then, when you revise your remarks?

Mr. RYAN. Yes. These diagrams show the number of pouches used to give service under the closed-pouch system, and the number used when railway post-office service is in operation, with a clerk working in a mail car. Exhibit A shows that only three pouches are needed when a clerk is in the car to work the mail. Exhibit B shows the number of pouches at each office and the totals at the termini of the line. It should be remembered that the present mail exchange device limits the amount of weight in a catcher pouch to 50 pounds. It is not practicable to hang two or more pouches for dispatch to a train that does not stop at a station. Under the closed-pouch system there is no clerk to make the catch or to distribute the mail. There are a number of catcher stations on the side lines and the closed-pouch system means a delay to their mails.

EXHIBIT B.



24 pouches received from connecting trains, 12 from terminal post office, total, 36.

24 pouches delivered to connecting trains, 12 to terminal post office, total, 36.

In Exhibit B we have substituted a closed-pouch service, which in matter of service just equals the R. P. O. service of Exhibit A, in which post office A and connecting lines, Nos. 1 and 2, all pouch on each office and connecting lines, Nos. 3 and 4, at K. The chart shows the number of pouches received and delivered at each station and the number of pouches in car at each station. It will be noted that the highest number of pouches in the car at any one time is 56 and the lowest is 36. It is to be noted that it would require two 3-foot units

of space to provide for the pouches alone, and if there were the usual portion of sack mail accompanying these pouches, another 3-foot unit would be required, making the total 9 feet. Now, 9 feet of space in most cases like this would be sufficient, if properly arranged, to furnish space for R. P. O. service.

EXHIBIT A.

The number of pouches used is as follows: Three at the initial point and 1 at each succeeding office, making a total of 12 in all.

EXHIBIT B.

The number of pouches used would be as follows:

From connections—	
Nos. 1 and 2-----	24
Post office A-----	12
Post office B-----	11
Post office C-----	10
Post office D-----	9
Post office E-----	8
Post office F-----	7
Post office G-----	6
Post office H-----	5
Post office I-----	4
Post office J-----	3
Total-----	99

An increase of 87 pouches used.

These charts, while not representing any particular line, are applicable to all. The same proportional differences will be shown in all cases where a service equal to the R. P. O. service is maintained.

If this difference does not exist, then the service can not be equal to the R. P. O. service, and we very much doubt that there is a closed-pouch service, with a half dozen or more intermediate offices, anywhere in the United States that equals an R. P. O. service on that line.

Senator HARDWICK. Now, the second important point of that reorganization was, as I remember it—correct me if I am wrong—that the Post Office Department undertake to distribute a lot of mail at post-office stations instead of on the railway-mail cars as they had been doing?

Mr. RYAN. At terminal railway post-office stations instead of on cars?

Senator HARDWICK. Instead of as they had been doing it. Has your organization any information as to what effect that has had on the efficiency of the service? Or can you furnish that?

Mr. RYAN. The terminal system requires the distribution to be performed at a stationary distributing post office instead of en route. The efficiency of the service is impaired in proportion to the time required to distribute this mail in the terminal R. P. O.

Senator HARDWICK. Those are the two points I am interested in.

Mr. RYAN. The two points may be summed up in this: You are speaking of the discontinuance of the side lines. It would effect a saving in space, and it not only applies to the side lines—although it is more noticeable there, because the entire service is taken off—but it is also true that the space has been reduced on the trunk lines to a great extent. Then the proposition on the terminal R. P. O. distribution is that the trunk-line organization under our classification of salaries places a heavy line in class C, and the clerk has the opportunity to get to \$1,500 maximum. So you may term it in round figures a \$1,500 organization. The terminals originally were classified in accordance with the law with respect to their rela-

tive importance in classes A, B, and C with the comparative maximum salaries.

But all these terminals that were in classes B and C were reduced to class A by an order of the Post Office Department, which limits the maximum to \$1,200. So we have two features of reduction in space and reduction of the expense of organization from \$1,500 on the road to \$1,200 in the terminal.

Senator SWANSON. You mean the clerk who was getting \$1,500 for distributing mail on the trunk line, when assigned to one of these terminal stations was put back to \$1,200, or deprived of the opportunity of getting \$1,500?

Mr. RYAN. We have had a number of instances of that kind, Senator. It is rather interesting to me to speak of increases in salary, because conditions in our service would warrant our making an effort to have men restored to salaries that they were receiving, and part of which had been taken from them. We have had men put into the terminals and reduced in salary. We have had men reduced in salaries because changes were made which would make them so-called "surplus" clerks, and because they, on account of home conditions or something of that nature, could not take an assignment in some distant section of their division, the department reduced them in salary. That is also interesting in connection with another section that this committee put into the bill last year, relating to the reductions in salaries.

This general order here is a copy of an order issued by the Post Office Department prior to the time that law went into effect—and, as a matter of fact, even after the passage of that law:

When a reorganization of service or a reduction of classification contemplates a reduction in salaries in the railway post office, any clerk whose salary thereby becomes due to be reduced shall be given his choice of remaining on the same line with appropriate reduction in salary or of being transferred to another assignment carrying with it a salary not less than the salary he is then receiving. If he elects to remain on the same line, the required reduction in his salary shall then be made; but if he elects to be transferred, he will continue to receive temporarily the same salary he has been receiving pending an opportunity to give him such other assignment.

Senator HARDWICK. In other words, if they want to keep the runs they were used to, they had to accept the reduction?

Mr. RYAN. Yes, sir; and many times the other assignments offered them were so far distant from their homes that they just simply could not accept them.

The CHAIRMAN. I want to ask you right there—I have had a good many letters here from postal clerks complaining that they had acquired homes, bought homes on credit probably, and all that sort of thing, at stations which had been made their terminal, and they were suddenly picked up and moved and transferred. Is that pretty common in the service?

Mr. RYAN. There have been a number of cases of that kind. I think that book of Mr. Denning's there shows the number of men who have been required to change their residences. That has been an additional expense to them. They had to pay their own expenses. Some of them owned their homes and have been transferred, and in some instances lines have been reorganized twice. One case came to my attention where a clerk had moved from one point on the line to another point on the line, and then they reorganized the line

the second time and he had to move back to where he was in the first place. Mr. Denning, general superintendent, appearing before the House committee, answering a question by Mr. Madden, said:

We have some figures, Mr. Madden, which we got by telegraph as to the number of men that were compelled to move, but I feel sure that there was a misunderstanding of the telegram and the number shown is in error. The figures we obtained show that 204 clerks owning homes were required to move. It should be borne in mind that many of those who had homes and who moved did so in order to retain their salaries rather than take the salaries called for by the reorganization of the line.

Now, that last sentence there I do not care to comment much upon, because there isn't any need of my attempting to enlighten you gentlemen on that.

Senator HARDWICK. They simply are not allowed by law to reduce them, so they said, "We can not reduce you, but if you won't accept a transfer, you must accept a voluntary reduction."

Senator SWANSON. Was there any reduction made in the privileges—or withdrawal of privileges—in connection with furnishing transportation if they lived at certain places requiring them to live near their places on account of withdrawal of transportation?

Mr. RYAN. I am inclined to think, Senator, in answer to that, that the department would grant them transportation to their new point of occupation.

Senator SWANSON. What is the rule now? What is the present rule regarding the department furnishing transportation to the postal clerks, when off their line, to go home?

Mr. RYAN. If they were in the service before 1895, and retained the same residence, the law that was passed at that time entitled them to transportation. The department otherwise requires the clerk to live on the line, and preferably at the terminal when they come into the service.

Senator SWANSON. But, as it is, those that had a home in 1895 are privileged to retain that when they get transportation to it. What is the present rule regarding transportation? They must live on the line?

Mr. RYAN. They must live on the line, and the department, in fact, rather insists that they live at the terminal of the line. So the transportation is just used while they are in the mail car as a railway postal clerk performing duty.

Senator SWANSON. Now, there is no limitation as to the number of clerks that can get the salary fixed in grade 10, is there? It is fixed entirely upon the age, or time of service, is it not?

Mr. RYAN. There is a limitation, because the reclassification law of 1912 provides that the lines shall be classified. The law provides that—

The Postmaster General shall classify and fix salaries of railway postal clerks under such regulations as he may prescribe in the grades provided by law, and for the purpose of organization and establishing maximum grades to which promotions may be made successively, as hereinafter provided, he shall classify railway post offices, terminal railway post offices, and transfer offices with reference to their character and importance in three classes, with salary grades as follows: Class A, \$900 to \$1,200; class B, \$900 to \$1,300; and class C, \$900 to \$1,500.

So that in answer to your question, the only clerks entitled to go to the \$1,500 grade are clerks assigned to class C, lines which are the heavier trunk lines of the country.

Senator SWANSON. Now, when it comes to the transfer of a clerk to line C, preference is given to those clerks who have had the longest service, provided they have passed the examination and got a record, is it not?

Mr. RYAN. No; it is not the longest service that applies so much, because the department gives preference to seniority in the grade, and it has worked out in some instances where a man who was not as long in the service as another, although he had obtained a higher grade, has been given preference.

Senator SWANSON. For instance, if there is a vacancy in grade 7, that pays \$1,500, the senior in grade 6 would be entitled to be appointed to that, if he desires it, and his record was good?

Mr. RYAN. No; it all depends upon the organization that a man is in. Now, for instance, Senator, if the grade 6 clerk was in a C organization, he would not have to wait until the vacancy. After he completed a year in that grade, in class C, then he would get his \$1,500. A clerk in class A is limited to \$1,200 regardless of his length of service.

Senator SWANSON. Well, then, the number of clerks that can be paid \$1,500, \$1,600, \$1,700, or \$1,800, is dependent upon the classification fixed by the Postmaster General?

Mr. RYAN. That is right. And I may say that the \$1,600, \$1,700, and \$1,800 clerks are rather small in number, because they are clerks in charge.

Senator SWANSON. Now, if there was a percentage increase of postal railway clerks, instead of a specific increase, from \$900 to \$1,000, from \$1,000 to \$1,100, from \$1,200 to \$1,300, is there any reason why it should be a higher percentage of increase in the lower grades over the higher grades?

Mr. RYAN. I would favor the larger increase in salaries for the lower grade. That is based, however, upon the purchasing power of the dollar more than anything else.

Senator SWANSON. The impression has been, and I have seen it stated somewhere, that the lower grades are younger men, have not as large families as those in the upper grades, and consequently the high cost of living has not borne as heavily on them as it has on those who are older and have been in the service longer. What is the condition, do you think, in reference to that?

Mr. RYAN. That is rather a difficult proposition, because it depends upon the individual rather than upon the general condition.

Senator SWANSON. Is a clerk that is getting \$1,500, on an average, older and has he usually a larger family to support than the clerk that is getting \$1,000?

Mr. RYAN. Generally; yes.

Senator SWANSON. On an average?

Mr. RYAN. Yes. I would say yes in answer to that question.

Senator WEEKS. Of course, it would go without saying, Senator, that a man 22 or 23 or 24 years old, although of marriageable age and might be married, would not have many children.

Senator SWANSON. The general condition is that those with smaller salaries would have smaller families than those who are older and have higher salaries?

Mr. RYAN. I would say yes to that question, Senator. I think that is true.

Senator WEEKS. But it must be remembered that every man in the Postal Service is of marriageable age, and it simply reduces itself to the number of children which he would be likely to have.

Senator SWANSON. Now, if you were to take a clerk who is getting \$1,500, and give him a less increase—percentage increase—than one getting \$1,000, do you think it would work a greater hardship on him—on an average?

Mr. RYAN. I have figured the proposed percentage increase somewhat, Senator, and the question of equality enters into it. You can see that a clerk getting, we will say, 25 per cent increase on \$1,200 would get \$300; while a clerk getting 25 per cent on \$1,500 would be getting \$375. The higher-grade clerk would then be getting a greater increase in actual dollars.

Senator SWANSON. What is your plan of increase that you would propose to Congress?

Mr. RYAN. It is represented in bill 7226.

Senator SWANSON. Known as the Madden bill?

Mr. RYAN. No; the Van Dyke bill. Now, the first section of this bill is included in the Madden bill, in the last paragraph of the first section. The proposition we submit is to increase each grade \$200, and then to equalize the difference in salaries in the three classes, which has been a matter of dispute among the clerks for some time, to promote the class A clerk, under this new classification, which would give him \$1,500; the class B clerk to \$1,600; and the class C clerk to \$1,700, and provide that each grade would move up \$200. Now, as a matter of fact, in studying this question over, I thought it best to call to the attention of the committee an idea that came to my mind; that is, with reference to the existing law. I understand it would work out all right with reference to the letter carriers, because they are provided for in a lump sum. The post-office clerks are classified somewhat similar to ourselves. But the Post Office appropriation bill provides so many clerks at such a salary, and so on through the different grades. Now, if we were to enact a proposition similar to the propositions contained in these other bills, we ought to consider its comparison to the existing law. I think it would be beneficial to the Post Office Department to have the clear intent so explained as not to leave any doubt as to the intention of any enactment of legislation along this line. Then, it is also true, as I said before, that in our service the law says the clerks of class A shall be \$900 to \$1,100—\$1,200 really, because they get a final meritorious promotion. And whether a general proposition like this would conflict with existing law so that it would be impossible to interpret its real intent, would be worthy of consideration by the committee.

Senator SWANSON. Now, if you are to have a percentage increase, as has been suggested, what percentage of increase would you recommend, and what would be the difference in the percentage of increase in the different grades?

Mr. RYAN. I did have that on a paper here, Senator, but I am afraid it is not at hand just now. But the general proposition that we would submit on the percentage basis would be 25 per cent up to and including \$1,200; 20 per cent over \$1,200 and including \$1,500; and 15 per cent over \$1,500 and including \$1,800 or \$2,000—as high as you want to go. The maximum salary paid to a clerk in

the service on the road is \$1,800, and they are comparatively few—there are only about 400 of them in that grade.

Senator WEEKS. Those are all clerks in charge?

Mr. RYAN. Those are all clerks in charge. The subordinate clerk gets a maximum salary in class C, under the reorganization, of \$1,500; in class B, \$1,300; and in class A, \$1,200. That would be the general proposition that we would suggest.

The CHAIRMAN. Getting back to these young men, the unmarried men that Senator Swanson has in mind in the service, is it not true that a great many of those unmarried men are contributing a good portion of their salaries to the support of dependent families, mothers, and minor children?

Mr. RYAN. That is very true, Senator.

The CHAIRMAN. You could not, of course, give any approximate estimate as to the number of such cases, can you?

Mr. RYAN. No; I could not, but I am sure that is the case.

The CHAIRMAN. You assume that there are quite a number of them in that category.

Mr. RYAN. Yes; a very large number of them, Mr. Chairman. Here is a letter that I just happened to open this morning. This clerk speaks of having five children.

Senator SWANSON. You would recommend a higher percentage for the lower grades than you would for the middle or upper grades?

Mr. RYAN. That, as far as I have been able to ascertain, Senator, is the sentiment of the members of our association.

Senator SWANSON. You think if you had it, as I understood you, you would commence at 25, and then as you went up the grades, make it 20 and 15?

Mr. RYAN. Yes; that is the general proposition.

Senator SWANSON. On a percentage basis?

Mr. RYAN. I may say that we have tried to keep absolutely within the bounds of reason in the lowest sort of a limitation in those. Although the increases in the cost of living there will show, I think, at the minimum 47 per cent, and on some different items of food they run up to 80 and 90 per cent. But speaking of food as a whole, I think the minimum increase there will show 47 per cent. And I do not think there is any need of calling your attention to other items such as clothing and fuel. We have tried to be as fair as possible, and would rather make a sacrifice on our end of it, I think, than to be considered as asking for anything unreasonable. That is the attitude we take on the question.

Senator WEEKS. Mr. Chairman, it seems to me that one of the most reprehensible practices in which the department indulges is the one to which Mr. Ryan has made reference, that when they wish to reduce a man's salary, or wish to transfer him, whichever the case may be, they do reduce his salary unless he takes a transfer, and that affects a very considerable number of men who own or partially own their homes, and it places a liability on a man to own his home. Now, the contrary, of course, should be followed. Every citizen should be encouraged to own his own home, and an inducement should be held out to him to do that, instead of to depend on rentals. It would be good for the country if that were done, and I think that practice ought to be stopped and definitely stopped.

The CHAIRMAN. What is the excuse? What excuse does the Post Office Department offer for those transfers? Is it because this man is less efficient than another man, or is incapacitated to properly handle his run?

Is that the excuse they make, or do they just arbitrarily make the order? What is the practice?

Mr. RYAN. I think, Mr. Chairman, that the reason for it can be more plainly shown in letters that were sent out here sometime ago, and which were printed last year in a report of the hearing before this committee. I dislike to state plainly just what I have in mind with reference to these things.

The CHAIRMAN. You understand I do not ask you to make any criticism of the department's position.

Mr. RYAN. It is construed as a criticism of the department. They may be sincere and honest in what they are trying to do. However, the men are convinced that some of the things done are unfair to them. It is ridiculous to say that any employee has asked for a reduction in salary in the last year or two in any line of work. And it is clearly stated in one of those letters where the clerk could be taken off and the car space saved. Now the whole thought and theory of it is just simply to reduce car space under this new basis.

Senator HARDWICK. The principal thing we are interested in, Mr. Chairman, is the impairment of the efficiency of the service.

The CHAIRMAN. Yes; that is the point we are getting at.

Mr. RYAN. Well, I have a mass of information showing delayed mails, but I do not care to put it into the record. I did not expect that it would be necessary for me to get into that detail, but for the information of the committee I will just submit these matters here. We know what the situation is where the Post Office Department says that the service is just as efficient as it ever was.

Senator HARDWICK. In other words, you claim these economies greatly impair the efficiency of the service?

Mr. RYAN. Yes; I could produce evidence, if the men were given an opportunity to present themselves, to show where the service has been absolutely broken down. And the thing that strikes my mind as rather peculiar is that the Congress, in answer to the wishes of the department, accept their estimates and appropriate certain amounts of money. And we know how the Postmaster General speaks about his surplus. You can take the committee print and go through that and you will find the entire surplus represented in unexpended balances of money that he asked you gentlemen to appropriate for him, and then he tries to see how much he can save out of it.

Unexpended balance in the appropriation for salaries of railway postal clerks in the years ending June 30—

1915	\$2, 186, 607. 06
1916	2, 071, 695. 80
1917	2, 121, 511. 79

Unexpended balance in the appropriation for travel allowance for railway postal clerks for the years ending June 30—

1915	183, 449. 67
1916	221, 525. 92
1917	197, 149. 01

Unexpended balance in the appropriation for salaries of substitutes for clerks on vacation for the years ending June 30—

1915	25, 492. 66
1916	33, 048. 04
1917	212, 996. 77

Senator FRANCE. Mr. Chairman, may I ask Mr. Ryan a question bearing on that point? I have a number of warm personal friends in the Railway Mail Service, as in the other departments, and they have been telling me that during recent years their work has increased very materially. I have not been able to understand it until this morning, but your figures seem to make it very clear. In 1914 you say there were 20,311 railway-mail clerks?

Mr. RYAN. Yes.

Senator FRANCE. In 1917 there were 18,977, a decrease of 1,334, or a decrease of over 6 per cent?

Mr. RYAN. Yes.

Senator FRANCE. You say that the department estimates that the work of handling the mails increases about 10 per cent a year?

Mr. RYAN. It has been greater since the start of the war, too.

Senator HARDWICK. That is the normal increase?

Senator FRANCE. Yes. In other words, in the three years there would be an increase in the work of 30 per cent and a decrease in the number of clerks of 6 per cent, which would mean, we may say, estimating roughly, an increase of 36 per cent in the work. Now, there must have been an increase in the labor of the clerks or a decrease in the efficiency of the department, or both, as the result shown by those figures.

Mr. RYAN. And they have met that increase by making the clerks put in more time.

Senator FRANCE. Yes. Your figures show very clearly that there either has been a very great increase in the work or a very decided decrease in the efficiency?

Senator SWANSON. What was the appropriation in 1914 for the railway-mail clerks for handling the mail? Have you got those figures there?

Mr. RYAN. I have them right here, Senator.

Senator SWANSON. Will you put them in the record, and also put in what was the aggregate paid for handling the mail in 1917?

Mr. RYAN. I will do that.

(The paper referred to is here printed in full, as follows:)

Appropriations and unexpended balances in the Office of the Second Assistant Postmaster General for the fiscal year ended June 30, 1917.

	Unexpended balance.	Appropriation.
Inland transportation, star routes in Alaska.....	\$11,684.89	\$306,000.00
Power boat and aeroplane service.....	38,444.46	1,060,000.00
Inland transportation, railroad routes.....	676,500.36	59,145,000.00
Freight and expressage, mail matter.....	405,946.67	645,000.00
Salaries, Railway Mail Service.....	2,121,511.79	28,825,050.00
Travel allowance, railway postal clerks.....	197,149.01	1,488,336.00
Temporary clerk hire for emergency service.....	8,679.20	60,000.00
Substitutes for clerks on vacation.....	212,996.77	863,900.00
Expenses of officials.....	14,810.32	57,660.07
Miscellaneous.....	141,925.12	606,773.00
Inland transportation, electric and cable cars.....	58,583.59	660,000.00
Transportation of foreign mails.....	769,461.85	3,800,000.00
Balance due foreign countries.....	550,375.16	681,700.00
Expenses of the Office of Second Assistant Postmaster General.....	904.15	1,000.00
Total.....	5,204,973.34	.....

Annual expenditures in the Railway Mail Service for the last four years.

1914.....	\$26,265,352.16
1915.....	28,408,243.10
1916.....	28,515,474.87
1917.....	29,840,950.24

Senator SWANSON. Then, put in the increase of the mail from 1914 to 1917.

Mr. RYAN. I will do that.

(The paper referred to is here printed in full, as follows:)

The net increase in the cost of the Railway Mail Service from 1914 to 1917 is 11.7. The net increase in the distribution performed by railway postal clerks from 1914 to 1916, follows:

Distribution performed by railway postal clerks.

Increase in 1914 over 1913.....	5.95
Increase in 1915 over 1914.....	3.35
Increase in 1916 over 1915.....	3.699

Net increase.....	12.999
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The increase for 1917 is not available as the report of the Second Assistant Postmaster General has not been issued. The figures given are from reports of that office.

(Mr. Ryan showed pictures of delayed mails out in the open covered with snow.)

Senator SWANSON. What I am anxious to know is what the Government is paying and what the volume of business is in 1917, and what it paid in 1914.

Mr. RYAN. I have some pictures here showing mail piled up before Christmas.

Senator SWANSON. A great deal of this delay in Christmas mail was occasioned on account of these camps all over the country, and a great deal of it was sent to the soldiers, was it not?

Mr. RYAN. Yes.

Senator SWANSON. And it was impossible to handle that mail.

Mr. RYAN. Yes; and the department, of course, has said that there was no delayed mail.

The CHAIRMAN. We would naturally expect, when the transportation service, the railroads, and everything else for transporting the mail, were disjointed, that that would necessarily affect the mail service. Whatever the efforts of the department might be, there would necessarily be delays, and we could not expect the service to be as good now as it was before this general demoralization in transportation.

Senator WEEKS. That is true.

The CHAIRMAN. So you have got to make some allowance for that.

Mr. RYAN. You have to make allowance for that, Senator. It is, however, rather singular, with the increased amount of mail to be handled, that the department now—or rather the bill here—shows a decrease in the number of men provided for.

The CHAIRMAN. I am not defending that. It is, however, perfectly true that every other department of the Government has made large increases in the force to meet conditions that now exist, growing out of the war.

Senator SWANSON. Will you also put in there what percentage of the savings and economies and surplus claimed to have been made in the Post Office Department has come from the decreased cost of the Railway Mail Service? Could you do that?

Mr. RYAN. The unexpended balance in the appropriations for Postal Service under the jurisdiction of the office of the Second Assistant Postmaster General represents an amount slightly in excess of 50 per cent of the audited surplus of the Post Office Department for the fiscal year ending June 30, 1917.

I will say that in the surplus of \$5,000,000 reported last year there is \$2,500,000 of that, approximately, that was represented in the item of salaries for railway postal clerks, and that in the \$9,000,000 reported this year there is \$2,121,000, to the best of my recollection. Those figures are round numbers.

Senator SWANSON. Is that less than we appropriated for the salaries of railway mail clerks? Do you know how much they used less than we appropriated for this purpose?

Mr. RYAN. That is what I say—there is \$2,121,000 that was not used, and the year before that about \$2,500,000. That was appropriated and not used.

Senator SWANSON. That is the percentage that came out of the railway postal clerks?

Mr. RYAN. Yes. On that question of unexpended balances in the appropriation for salaries for railway postal clerks in the year ending June 30, 1915, the unexpended balance was \$2,186,607.06. In 1916 it was \$2,071,695.80; in 1917, \$2,121,511.79.

The unexpended balances in the appropriation for travel allowance to railway postal clerks in 1915, 1916, and 1917, respectively, were \$183,449, \$221,525, and \$197,149.

Now, the unexpended balance in the appropriation for salaries of substitutes for clerks on vacation for the years ending June 30 are rather significant. In 1915 it was \$25,492.66; in 1916, \$33,489.64, and in 1917, \$212,996.77.

Now, that is on the substitutes proposition. They have been appointing them and using them as unassigned clerks.

Senator HARDWICK. In other words, they would not carry out what we wanted them to. We appropriated the money and they just would not spend it.

Senator WEEKS. Relating to this matter of the transfer of clerks. here is a letter which has just been handed to me, dated January 8, which is particularly applicable. This man, who has been 30 years in the service, states that he was transferred recently; that the transfer, using his language, "takes me away from my wife and mother, who is now 87 years old and helpless as a child, with no one to care for her but my wife. It also causes me to keep up two homes, one for my wife and mother, who can not be moved, and one for myself. It is absolutely necessary for me to be at home at least one day in the week." And he goes on to ask that the travel allowance be given in cases where clerks have been transferred under such circumstances; otherwise he has to pay his own transportation to his own home.

The CHAIRMAN. What is the excuse for the transfer of that man? Senator WEEKS. I don't know.

Senator SWANSON. Let me get this matter clear in my mind. Possibly you can give us the information. As I understand it here, there has been a line in which they were paying \$1,500 for years, and the work has been considered sufficient for that purpose. They come here with a new classification of that line and reorganize it and reduce the salaries to \$1,200, and the man that has been running on that line at \$1,500 in order to get his \$1,500 must be transferred from home?

Mr. RYAN. That has been the practice to a great extent, Senator.

Senator SWANSON. By reducing the pay on these lines by reclassification?

Mr. RYAN. Well, let me see if I can explain that a little bit clearer. You do not quite get the right idea of it. Suppose we had a line paying \$1,500 maximum, four crews, working six and six. They make those clerks run six and three, and it gives them an additional crew. Now, we will say, there are 25 men in each crew; 100 men in all. They take off 25 men when they put on a three-crew organization. Those 25 clerks are considered as surplus clerks—a term used by the department. Some are given the opportunity of staying on the line by taking a reduction. If they are in the maximum grade and desire to retain such salary they have to transfer to some other assignment in that grade where that salary is paid. They leave them on the line until they find a vacancy in their grade. They offer them that vacancy, and then if they do not take it they reduce them in salary.

Senator SWANSON. Most of it has come from reducing the crew and not from changing the route from one classification to another?

Mr. RYAN. That has been the principal cause, and the practice of reducing the crews is very questionable, because those organizations existed for years, and in order to reduce the crews they have to reduce their time of advance work.

Now, for instance, take a train going out at 11 o'clock; they are supposed to get to work at 7 o'clock, we will say. The principle of the mail service was to keep the mail going in a steady stream without any let-up, from the post office to the Railway Mail Service, and through the Railway Mail Service right into the other post offices and the addressees. But this practice of reducing the advance work of the clerks and placing the mail in the terminal—as we believe and as we think can be proved—delays the mail. Then, of course, after they get a certain amount of mail formerly distributed on the train into the terminal for distribution, they will reduce the car space on the train.

Senator SWANSON. To what extent has the compensation—or rather the expense—incurred at the terminals increased by this reclassification?

Mr. RYAN. Well, all the expense in these terminals R. P. O.'s represent an increase since the year 1913, when they were first inaugurated. I think, however, some of them have gone over to the post offices. It is a new system of distribution by the Railway Mail Service.

Senator SWANSON. Do they have more men at the terminals by reducing the crew?

Mr. RYAN. I think the general number of men added to the terminals in the past year, as stated by Mr. Denning, was 134.

Senator SWANSON. And the reduction of postal clerks was how many?

Mr. RYAN. I think the number in this bill is 1,026.

Senator HARDWICK. In four years, thirteen hundred and something.

Senator SWANSON. Then if you take the aggregate of the two, business has increased 10 per cent in the year and the force has been reduced 10 per cent; that makes really an increase of 20 per cent.

Mr. RYAN. Yes.

Senator FRANCE. In three years the business has increased 30 per cent, and the number of clerks has decreased 6 per cent.

Senator HARDWICK. So they are cutting at both ends. That is what is the matter. Now, Mr. Ryan, we have not been very successful in carrying out the few legislative reforms that we have tried to impose on the departments. Is there any way that this committee can restore the efficiency of that service, put it back where it was?

Mr. RYAN. Yes, there is, Senator. Frankly, it is going to cost money and it is going to take time to put it back where it was. If these lines were restored to their former organizations, the way they worked before this policy of the department was applied, and the salaries were properly taken care of and the necessary number of men given to handle the mail, instead of the number being decreased, it would have that effect. That is the general proposition.

Senator HARDWICK. How can we secure it, if we appropriate money for clerks and they won't spend it?

Mr. RYAN. I have been thinking that over, Senator, and no doubt you will be able to recall the impressions of mind that you had when you were a boy, and how you probably did not even dream that you would ever get to Washington sometime to come in personal contact with the great lawmaking body of the country; and I have always looked upon Congress as the supreme power of the land, and still think it is, and the only way we can meet the question you submit is to be most explicit in the absolute intention of the purpose in mind when Congress writes a law. That is putting it in brief language.

Senator HARDWICK. We tried to be on this question of substitute clerks, and yet they responded by not spending the money we appropriated.

Mr. RYAN. That could be covered by explicit language.

Senator HARDWICK. We can fix that, I think, myself, but now here is the trouble we are in about this thing: We are obliged, to some extent, to trust the ministerial officers of the Government with the administrative details. We can not just tie things hard and fast, or the thing is not flexible enough to work. Now, if we tie it so tight and hard and fast that flexibility is destroyed, it may impair efficiency along that line.

Mr. RYAN. There is another thought that I have in mind in that connection. I believe that is true. We have to be fair-minded in approaching these propositions. I do not want to see any law enacted which is going to tie the hands of an administrative officer to such an extent that he can not conduct his department. I do not think it ought to be done. Then the next question which comes up is, what can we offer as a sort of a brake—well, I do not know what

to term it, whether you would say misunderstanding, misjudgment, or what you would call it—the thought suggests itself of this court of appeals that has been discussed for so many years. Personally I am deeply interested in postal affairs. I want to see the service as efficient as it possibly can be, and still I know that it lacks many of the essentials of private business. For instance, in our service we have no definite standard of salaries. We have not any definite understanding of what the work day consists of. As a matter of fact, the railway postal clerks may be required and have been required to work any number of hours. Some of them have worked as high as 36 hours without a rest hardly.

The CHAIRMAN. Don't you get any overpay in cases of that kind?

Mr. RYAN. No; we receive no overpay whatever.

Senator WEEKS. Is that true in the case of that letter you read? Does that man get any credit for the overtime which he stated he put in? He was employed on account of the delay in trains.

Mr. RYAN. No material credit. I will tell you how the credit is given. For instance, we will say that a clerk's road service, actual road service, showed him running for the year on a seven-hour basis, a seven-hour average. They take his aggregate overtime for the year, divide it by 313 days, and we will say that shows a 15-minute average per day. That gives him an average on his organization sheet of 7 hours and 15 minutes. But assuming that the next year shows such an added increase in overtime that the per day average is 30 minutes, which would bring his organization-sheet standard up to 7 hours and 30 minutes 313 days a year, they just simply figure it out that way and put it down on the organization sheet, and that is considered credit for his overtime. But he does not get a cent for it—no material benefit whatever. Now, one of these organizations is on the line between here and New York. Another one is between Boston and Albany. In changing these clerks, in order to keep their hours down, in some of the trains they require them to stay over in New York or Albany over Sunday, and that is not counted as a day, although they have been on duty and the department recognizes them as being on duty to the extent of allowing them per diem allowance, but they get nothing for that day staying over there, but it is simply counted as a day off; and the railroad trainmen, as a matter of fact, get a day's pay for that time.

Senator SWANSON. There is a statute prohibiting overtime without pay for any employees now, is there not?

Mr. RYAN. There is no such law in our service.

Senator SWANSON. I had an idea that applied to the Railway Mail Service.

Mr. RYAN. It does not apply to us. They can work us 24 hours a day.

Senator SWANSON. But I mean they come to Congress for compensation for overtime. Wasn't there a statute passed to that effect?

Senator HARDWICK. They tried to regulate that in the Post Office Department—when these men worked overtime to give them a longer rest. It is an administrative proposition.

Senator SWANSON. I had an idea that Congress did not intend the laws to be violated in fixing a time of service, and consequently when an emergency occurred, when they worked overtime, there should be rests and recreation and the loss of time should be given them.

Mr. RYAN. There is no such law that has ever come to my attention, Senator. And, as a matter of fact, we have clerks in the service who are working more than 8 hours a day 313 days a year. There are some of them, I think—one or two extreme instances—where they are actually doing that much work in the car.

Senator SWANSON. Now, were these reductions in crews occasioned to save pay to postal railway clerks or to save space on the cars?

Mr. RYAN. I would say for both.

Senator SWANSON. Now, when they reduce your crew by giving you three days' leave instead of six, doesn't that reduce the space that the Government takes on these railway cars?

Mr. RYAN. Not necessarily, in that instance. The space is reduced when they take the mail off the trains and put it into the terminals.

Senator SWANSON. I understand that, but the reduction of the crew, reducing your time that you have off, does that result in any saving of space to the Government?

Mr. RYAN. No; I would not say that it does, because each train will carry practically the same number of men as it did heretofore, only they are running oftener. That is all.

Senator SWANSON. It simply results in increased work for the postal clerks, without any saving in space or railway postal pay?

Mr. RYAN. Yes, sir; that is true in those instances. There may be cases also where the space has been reduced, but that is caused by other considerations. It does not necessarily follow where they take men off they reduce the space. Working conditions in that respect are very unsatisfactory, because the tendency now is to place as much mail as possible in the railway postal car, and it is so congested that the clerks can not get sufficient space to handle the mail. For instance, suppose a train was running from New York to Boston, we will say, where there is not sufficient space, and they have to rehang their sacks twice. The first distribution they would perform would be Massachusetts, papers, we will say, and by the time they get those worked up they have to take out all those sacks and hang in others, and start in for the State of Maine, the next point beyond. In the old days, when they had sufficient space on the heavy night trains on that line, they would have a Maine car and a Massachusetts car, and that obviated all this rehandling. It makes a big difference in the expeditious despatch of the mails and efficiency in distribution.

Senator WEEKS. Did that list of employees include those at terminals, R. P. O. clerks at terminals?

Mr. RYAN. Yes.

Senator WEEKS. It covers everything in the R. P. O. service?

Mr. RYAN. It is the number actually employed.

Senator WEEKS. How many of those men have been taken from trains and are working at terminals?

Mr. RYAN. I think there is a table in here, Senator, that answers that question.

Senator WEEKS. If it is not a very long table, let us put it into the record Mr. Chairman.

Mr. RYAN. Here it is, here. This is for the year 1916, number of offices and railway postal clerks employed in the Railway Mail Service June 30, 1916. I may say this is the latest one we have, because there wasn't any Second Assistant's report for 1917. In the terminal

railway post offices, permanent clerks, 1,993. That is, out of a total of 18,797. And the acting clerks in terminals were 308. Those are really the fellows that we were referring to last year when this question was up. And the total in terminals, out of a grand total of 19,318, would be 2,301.

Senator WEEKS. Mr. Chairman, there is just one other matter that I want to refer to.

We have been considering the higher pay for post-office employees based on the probability of their having larger families. I do not expect the committee is going to take any action in this matter at this time, because I do not think that public sentiment has come to it, but if I had my way, I would increase the man's pay for every child he has, so that it should not become a burden.

The CHAIRMAN. You want to encourage more children?

Senator WEEKS. I do, so that it would not become an unnecessary burden on him. If a \$1,200 clerk had no children, I would pay him \$1,200; if he had one child, I would pay him something more; if he had two, I would pay him something more; and I would give him some increase in pay for every additional child he had. These men are all good citizens, and the larger the families, the better for the country.

Senator VARDAMAN. Do you think that would increase the race?

Senator WEEKS. I don't know whether it would increase the race or not, but I would try it.

Mr. RYAN. There is only one other thing, Mr. Chairman, and that is about resignations. As a matter of fact, we can not seem to get men for our service now. The salaries have been unsatisfactory and resignations have increased. And I want to say that in the last six months they have more than doubled for what they have been in the year before. It will show four times as many, I think, for the full year. The resignations for the fiscal year 1916 were 215, for the year 1917 were 356, and for the period from July 1, 1917, to December 31, 1917, there were 722 resignations. I want to say, Mr. Chairman, that I am very thankful to the committee for this opportunity to appear before you.

Senator HARDWICK. Before you leave, Mr. Ryan, are these Madden salary increases satisfactory to your organization?

Mr. RYAN. If they will give us the actual intent of the Madden bill—\$200 flat increase—it will be perfectly acceptable.

Senator HARDWICK. That is, comparing with the balance of these lowest salaries, about 22 per cent?

Mr. RYAN. The percentage runs about the same. But I called that other matter to the attention of the committee so there would not be any conflict between the appropriation bill and the existing law.

Senator HARDWICK. I wish you would point out to the clerk there that part of the law where we will have to change the law and get the substitutes provided for.

Senator WEEKS. You do not expect to get anything absolutely satisfactory, do you?

Mr. RYAN. If we get the court of appeals, so as to have our troubles settled in that respect, Senator, I do not think we will have to come to Congress to bother them about many things.

The CHAIRMAN. You may proceed now, Mr. Bosche. Tell us who you represent.

STATEMENT OF MR. JOHN H. BOSCHE, PRESIDENT OF THE NATIONAL ASSOCIATION OF POST OFFICE LABORERS, NEW YORK, N. Y.

Mr. BOSCHE. I represent the watchmen, messengers, and laborers of the Post Office Department. While I have no set speech to make at the present time, I desire to appear before you this morning on behalf of the laborers, watchmen, and messengers, who at the present time are receiving a salary of but \$900 per annum. Now, this is a very small sum of money, and under present conditions, the way that the men are being employed in New York City, where I come from—which I know the most about—quite a number of men are thinking of leaving the service on account of the low salary, and we feel that if this committee would recommend an increase in pay for the laborers, that it would be beneficial to the service and would hold the laborers in the office.

The bill as presented to you—the Madden bill, rather—meets the approval of quite a number of the men, but a number of the men thought that if there was a straight salary of \$1,000 instead of \$900, which they are now receiving, that it would appeal to them.

Senator WEEKS. What do you think, yourself, about the pay provided for in the Madden bill?

Mr. BOSCHE. I, myself?

Senator HARDWICK. That gives them 15 per cent increase for the lower-grade people, and 10 per cent for the higher grade, taking \$1,200 as the dividing line. What I can not understand is why we should increase clerks and railway-mail clerks 22½ per cent, and 25 per cent for the lower grades, and 15 and 16½ and 10 per cent for the higher grades, and should not increase these lower-grade laborers in at least the same proportion.

Mr. BOSCHE. Upon the laborer falls the heaviest part of the work.

Senator HARDWICK. That's right; and they get the smallest money.

The CHAIRMAN. Would you people be satisfied with an increase to \$1,000?

Mr. BOSCHE. I feel that we would. They would feel satisfied with an increase to \$1,000. Up to the present time the clerks and carriers, if they work overtime, receive extra compensation. The laborer at the present time receives no extra compensation. He is forced to work probably four or five hours overtime a day, and receives no compensation for it.

Senator SWANSON. Did you get an increase of 10 per cent under the bill of last year?

Mr. BOSCHE. No, sir. Part of the laborers got it. The men who were in the service 13 or 14 or 15 years and longer did not receive their 10 per cent increase, but the men who came into the service since March 3, 1917, are now receiving \$990, and the older men did not receive any of that increase at all.

Senator SWANSON. Are you paid by the month or per diem?

Mr. BOSCHE. We are paid per diem. We receive \$900 a year.

Senator VARDAMAN. What per diem to you get?

Mr. BOSCHE. Seventy-five dollars a month.

Senator VARDAMAN. What work do you do?

Mr. BOSCHE. Handling sacks, pushing trucks, loading and helping unload wagons—in fact, doing any work that there is to be done around the post office.

Senator SWANSON. Now, under the increase that was made last year, I understand the Comptroller of the Treasury ruled that it did not apply to per diem employees, and consequently you did not get the 10 per cent increase we provided last year under that rule.

Mr. BOSCHE. I understand; under this ruling, those who were not in the classified service would not receive that. Now, I have made inquiries at different times in regard to the post-office laborer, whether he is a classified or an unclassified employee, and I have been informed through the Civil Service Commission that a laborer in unclassified. He is an unclassified employee.

Senator SWANSON. It only applied to those classified by the year. It only applies to those regularly classified in the civil service. You feel that the class that you represent, these laborers, should have the same increases that is given to everybody else.

Mr. BOSCHE. Yes, sir.

Senator SWANSON. And it should be made to apply to them?

Mr. BOSCHE. Yes, sir.

Senator SWANSON. I think so, too. I favor it.

Senator HARDWICK. We will take care of you, if we do anything.

The CHAIRMAN. Yes; if we take care of anybody, we will take care of your crowd.

We will take a recess now until 2.30 o'clock this afternoon.

(Whereupon, at 12 o'clock noon the committee took a recess until 2 p. m.)

AFTER RECESS.

At 2 o'clock p. m., the committee reassembled pursuant to the taking of recess.

The CHAIRMAN. The next hearing was to be from the rural carriers. We have with us Mr. Brown, whom we will be very glad to hear in reference to the increase of salaries for rural carriers and the conditions confronting that service.

STATEMENT OF MR. W. D. BROWN, REPRESENTING THE NATIONAL RURAL LETTER CARRIERS' ASSOCIATION, WASHINGTON, D. C.

Mr. BROWN. Mr. Chairman and gentlemen, I think it is proper for me to say at the outset that there may be an idea prevalent that there is some friction between the National Rural Letter Carriers' Association, which I have the honor to represent as their duly elected attorney, and the officials of the Post Office Department. I want to say that there is no such friction on our part; that we are more than anxious always to cooperate with the department in any way that we can. We never have a convention of any kind that the Fourth Assistant Postmaster General is not invited to attend, and we are always glad when he will come or send somebody to represent him. During the past few years our conventions have not been attended by representatives of the department.

I would also like to say that a greater degree of harmony now prevails between employees of all branches of the Postal Service

than ever before. We are all getting closer and closer together every day for the best interests of the service and our own best interest; and we are all looking forward to the time when we may be invited—and may indeed have the right—to sit around the table with the Postmaster General and his assistants and all confer together about matters that relate to the welfare of the service, because we believe that what affects the interest of the service must in exact ratio affect the interests of all employees of the service.

During the past summer I attended a great many conventions of rural letter carriers, State conventions as well as our national convention, and recognizing the shortage of man power throughout the country I urged carriers to entirely disregard the provisions of the act of July 28, 1916, which specified a maximum of 24 miles for a rural delivery route, except in extraordinary conditions. I said to them, "We can not undertake to demand adherence to any 24-mile limit. There is a scarcity of employees in the country; there is a scarcity of man power, and it is up to us to do our part to meet that scarcity; and if the department sees fit to put on every man the maximum of 50 per cent over and above the standard of 24 miles, as provided for in emergencies, it is up to every man in the Rural Delivery Service to take that load on himself and do the best he can to give satisfaction." Of course, a carrier can not give as good satisfaction covering 36 miles a day with a horse and wagon. He can, of course, with an automobile when the roads are good, but it is only a part of the time that he can use an automobile. And I have said to them, "When you have done that, when you have covered all the territory that the department has seen fit to put upon you, then I believe, if you will go Congress and present your case, and show them the conditions that you have been laboring under, they will give you adequate recognition." And so, Mr. Chairman and gentlemen, I come here to you to-day asking for that recognition for the rural carriers.

The biggest thing that they want is an allowance for equipment maintenance. During the last month I sent to Members of the House something like 15,000 statements of expenses. I sent them about the 25th of January. Here are a few that came in after the others had been sent to the Members from the different congressional districts. I have the figures compiled in my office, showing the purchase price of equipment and the cost of maintenance. The average cost, the outlay to which the carrier is subjected before he can undertake to perform his duties, is \$600—that is, where he has an automobile and horses and wagons, too.

Senator SWANSON. How long do you figure that will last?

Mr. BROWN. The impression I have is that an automobile lasts about three years in the Rural Delivery Service. A number of carriers get a new automobile every year. They turn the old one in and get a new one each year. A horse will last something longer, but a wagon must be replaced about every three or four years.

Senator SWANSON. What is the difference between the cost of an automobile and a horse and wagon?

Mr. BROWN. Well, of course that varies.

Senator SWANSON. What would the average of the horses and wagons be, and the average of the automobiles, in cost?

Mr. BROWN. I will just take one here at random [taking statement]. This is from Michigan. Here is an automobile that cost \$365, and the horses and wagons cost \$320. This one, the automobile, cost \$365; horses and wagons, \$235. And so they run.

The CHAIRMAN. How many horses; one or two?

Mr. BROWN. Two horses and three vehicles. They can not serve a standard route with less than two horses.

The CHAIRMAN. What is the initial cost of that two horses and vehicle?

Mr. BROWN. Here is one—\$500. Two horses, \$250; four vehicles, \$200; and harness, \$50.

The CHAIRMAN. What do they want four vehicles for?

Mr. BROWN. He has a closed wagon for bad weather in the summer; he has a sleigh; he has probably an open wagon for good weather in the summer; and the chances are that this man has a large volume of parcel-post mail that he has got to provide adequate mail space for.

Senator SWANSON. You think there is no very marked difference between the cost of equipment with horses and vehicles and automobiles?

Mr. BROWN. No; there is a big difference in the cost; but wherever the road conditions warrant it, they have both, in order to save time.

Senator SWANSON. How long will the horses and vehicles last?

Mr. BROWN. Well, the life of a horse is something I could not say very much about, but all the evidence I have shows that they must replace a vehicle about every four years. I get that information from the vehicle manufacturers. They count on a customer renewing his order at least once in four years.

Senator SWANSON. What is the difference in the cost of operation of the automobiles and the horses?

Mr. BROWN. The automobile is much more expensive.

Senator SWANSON. Than feeding horses?

Mr. BROWN. Than feeding horses.

The CHAIRMAN. I know my automobile is.

Senator SWANSON. Then your idea would be that the horses and vehicles would last longer and cost less to operate, and the life of the automobile is shorter, so you think that the equipment is about equal, practically?

Mr. BROWN. The original purchase price of the equipment for a standard route, for automobile and for horse-drawn vehicles, horses and wagons, is just about the same. A carrier must have two horses; he must have at least one wagon. And in the cold climates some of them have sleds and buggies. Then, where they have to handle pouch mail, which I will refer to presently, they must have still additional equipment to meet the requirements.

Senator SWANSON. Would you think, for the purposes of legislation, that the committee could consider the equipment, and expense of operating the two classes about the same?

Mr. BROWN. I think so. There are very few routes in the country—I heard of one in Iowa and I heard of a few in California where automobiles can be used all the year. But they are very exceptional cases and should not have been given any very serious consideration, I think, they are so rare.

Now, here is one where a motor vehicle can be used eight months, and a horse and wagon must be used four months. A motor vehicle can be used seven months, horse and wagon five months. And all the way through, the average, I should say, about seven months that they can use an automobile, where they can use an automobile at all, and about five months they must use horses and wagons.

Senator VARDAMAN. Now, you take it through the South, Mr. Brown—Mississippi, for instance—they can use an automobile eight or nine months.

Mr. BROWN. Yes; probably eight or nine months, excepting in the spring when the roads are bad. And bear this in mind, Senator, when the roads are bad down there is when they have the heaviest mail in the spring. And it takes them the longest time on the route.

Senator VARDAMAN. Well, I think they can use a Ford at least nine months in the year anywhere in the South.

Mr. BROWN. Well, in a good many places they can, but they must have a horse and wagon for the balance of the time.

Senator VARDAMAN. That is true.

Mr. BROWN. With reference to that, Senator, here is a letter from McHenry, Ill., dated January 18, in which the carrier says: "At the present time I am hiring a team, at \$3.50 a day, on account of a bad snowstorm. I am fortunate to get a team for that figure, as it is almost impossible for a team to make 30 miles." This man must travel 30 miles. "There have been three days that it was impossible to leave town, let alone making the route. On top of working for nothing, I was unfortunate enough to have the team get away from me in the deep snow, and my breakage was nearly \$10."

The carrier got less than \$3.50 a day. He had to hire a team for \$3.50 a day; it ran away and smashed up things that cost him \$10.

In the City Delivery Service the mounted carriers are allowed the total cost of their equipment maintenance; and the Fourth Assistant Postmaster General testified before the House Post Office Committee in December, I think, that in some cases they paid as high as \$1,000 a year for equipment maintenance for mounted city carriers. That being the case it seems to me indefensible to say that you will not allow the rural carrier at least a part of the cost of his equipment maintenance.

Senator VARDAMAN. What excuse did he give for that discrimination?

Mr. BROWN. Well, it is the law.

Senator VARDAMAN. Well, what is the reason for the law?

Mr. BROWN. Well, I could not answer that, Senator. That is a provision in the law. The present appropriation bill, I think, carries something like \$5,000,000 or \$6,000,000 for equipment and transfer service and all that sort of thing in the cities, which includes the expense of equipment of mounted city carriers.

Senator SWANSON. The mounted city carrier gets the pay of the ordinary carrier plus the cost of his equipment?

Mr. BROWN. Plus the cost of his equipment.

Senator SWANSON. What is the difference between the pay of a rural carrier and the city carrier?

Mr. BROWN. Well, my understanding is in the first-class offices city carriers get \$1,200. That is the maximum. They start at \$800 and

get \$1,200 as a maximum. And I will say this to you, gentlemen; there is a theory that the rural carrier gets \$1,200 a year. As a matter of fact, he gets about \$50 a month or \$600 a year, after keeping up the cost of his equipment. If rural carriers could have their salaries clear of equipment maintenance there would be no necessity for me to come here to you and ask for legislation, because their salaries would be entirely satisfactory for a 24-mile route. But they do not get it. These expense statements show that the costs average \$600 a year. Rural carriers are paying out, to hold their jobs in the service, between \$25,000,000 and \$30,000,000 a year in equipment maintenance. Now, those are real figures. They are actual figures. It is no theory and no estimate. They are paying out between \$25,000,000 and \$30,000,000 for the privilege of holding their positions. And they also have that much money invested in the equipment.

So I do think that you could not go very far wrong if you would allow these carriers a reasonable amount for equipment maintenance.

Senator VARDAMAN. What are they asking for?

Mr. BROWN. There were five bills introduced in the House, one by Mr. Steenerson, one by Mr. Bell, one by Mr. Bankhead, one by Mr. Caraway, and one by Mr. Jacoway. Those bills were generally like this: An equipment allowance for a 16-mile route, a minimum of \$120; 18 miles, \$150; 20 miles, \$180; 22 miles, \$210; 24 miles, \$240, with a maximum of \$300. Now, the Postmaster General has asked for a flexible provision. He has asked for latitude so that he could compensate the man with extraordinary conditions on his route; so that he could pay him more than he pays the man with the ordinary conditions. And a provision of that sort with a minimum for a 16-mile route, a minimum of \$120 and a maximum of \$300, would be satisfactory.

Senator VARDAMAN. What per cent is that an increase of salary?

Mr. BROWN. Well, for a man on a 16-mile route, the pay is \$840. That would be about 15 per cent.

Senator HARDWICK. I notice in this Madden bill—they put it—the carriers in the Rural Delivery Service shall receive 15 per centum per annum up to and including those receiving \$1,200 per annum, and \$24 per mile per annum for each additional mile over \$24 miles. What do you think of that?

Mr. BROWN. I do not think the 15 per cent meets the requirements at all, Senator. It would for the carriers with short routes, but for a man with a 24-mile route it does not begin to meet the expense. It takes up about a fourth, or not more than a third, of the cost of his equipment maintenance.

Senator SWANSON. Now, take a 24-mile route, what would his salary be?

Mr. BROWN. Under the House bill, \$1,380.

Senator SWANSON. Fifteen per cent would be about \$200.

Senator HARDWICK. Let me show you how that would not work at all. Take a 24-mile route, he would get \$1,380. Now, take a 27-mile route, he would get \$1,200 plus \$72.

Mr. BROWN. He would get \$1,200 plus 15 per cent.

Senator HARDWICK. No; not the way this proposition is written.

Mr. BROWN. Then, that is a defect in the bill.

Senator HARDWICK. That the carrier should receive up to and including those receiving \$1,200 per annum?

Mr. BROWN. I think it was the intention to give all of them the 15 per cent.

Senator HARDWICK. And this \$24 a mile above that?

Mr. BROWN. Yes.

The CHAIRMAN. That must have been the intention.

Mr. BROWN. Now, touching on the \$24 a mile above 24 miles, it seems to me that that puts a premium on the extension of the routes. On a 24-mile route the rate is \$50 a mile, and then if you give the man \$24 a mile above that, why the department can go ahead and make the routes just as long as they see fit—as they are doing now.

Senator HARDWICK. What is the descending scale?

Mr. BROWN. I think the only fair way to do would be to advance them above 24 miles in the same ratio as the deduction below 24 miles.

Senator HARDWICK. Is that somewhere in the neighborhood of \$24 a mile?

Mr. BROWN. No; for the first 2 miles under 24 miles it is \$24 a mile; for the next 2 miles it is \$36 a mile; and for the next 2 miles \$60 a mile.

Senator SWANSON. What provision do you propose for these rough country roads where they have rural delivery service and where a man can not make 24 miles a day and get back to the trains that carry the mail?

Senator HARDWICK. He would get the increase.

Mr. BROWN. He would get the same equipment allowance, if that is what you gentlemen should decide upon. He would get the same as the other fellow.

Senator McKELLAR. What is your suggestion about this first provision on page 1 of the Moon bill, which says:

That carriers in the Rural Free Delivery Service shall receive 15 per centum per annum up to and including those receiving \$1,200 per annum, and \$24 per annum for each additional mile over 24 miles.

Now, what is your suggestion about that?

Mr. BROWN. My suggestion is this, Senator. That the whole pay basis for the Rural Delivery Service should be revised and put on a practical—a scientific—basis. And you can do it now.

Senator VARDAMAN. How?

Senator McKELLAR. Now take that one provision first. If it will not inconvenience you to take it up that way.

Mr. BROWN. Take the salary as it now stands, for a standard route of 24 miles, \$1,200, and allow the same gradations above as you do reductions below. Then make an adequate allowance for the man's equipment. Now you have the two basis elements.

Now there are just two other considerations that ought to enter into it. The Fourth Assistant Postmaster General and the Postmaster General both have insisted that time should be an element. But you gentlemen know this, that time is of the very essence of efficiency in all mail service. It is the very essence of it, and if you fix the pay of a rural letter carrier on the number of hours which he employs to cover his route, immediately you are going to force him to abandon his automobile and go back to horse-and-wagon service.

Senator SWANSON. Well, you take it in some sections of the country where I live, there are places where a man can not make 16 miles a day under eight or nine hours.

Senator VARDAMAN. Do they have any mail service there at all? [Laughter.]

Senator SWANSON. Yes; they have good mail service.

Senator WEEKS. Is there any necessity for it?

Senator SWANSON. It is necessary, unless you abolish it; unless you turn around and say, "We shall not have anything but star routes." Now, you take service that is over rough roads, over mountains, and a 16-mile route is considered a good day's work.

Mr. BROWN. Unquestionably.

Senator SWANSON. What plan do you have to take care of those people?

Mr. BROWN. I don't know of any plan that could be devised, Senator. I don't think it would be possible to work out a plan that would do exact justice to everybody and get the same results for the Government. The only way that I know that the Government could get the same return for its money is in piecework—and I don't know that it would get it then—but I believe a system could be devised that would do substantial justice to all the men.

Senator WEEKS. Mr. Brown, how much would it cost if every carrier were paid \$50 a mile for all distances?

Mr. BROWN. My recollection is that the department made a statement that there are 1,200,000 miles of rural delivery service now. I am not sure. That would be \$60,000,000.

Senator HARDWICK. The appropriation was about \$53,000,000.

The CHAIRMAN. Last year the appropriation was \$53,000,000.

Senator McKELLAR. Now, just go back for a moment to this provision here for my information, if you will. As I understand it, the carrier whose route is 16 miles—taking the one mentioned by Senator Swanson—would get a 15 per cent raise on his 16 miles, for equipment. Now, he is not penalized by this provision for its being less than 24 miles.

Mr. BROWN. Well, a carrier on a route 16 miles in length gets \$840, and he would get 15 per cent of that, or \$126.

Senator McKELLAR. Would that compensate him?

Mr. BROWN. Well, Senator, it would come nearer compensating the man on a 16-mile route under normal conditions. Now, the conditions, Senator Swanson cited, of excessively bad roads, I think is not a common condition, because, ordinarily, a 16-mile route could be covered with one horse without any trouble at all in about four hours a day, and 15 per cent for him would be more equitable than 15 per cent for a man on a 24-mile route who must have at least two horses. A man can not cover a 24-mile route with less than two horses.

Senator McKELLAR. That would give the man on the 16-mile route \$126 additional for equipment.

Mr. BROWN. Well, this doesn't say for equipment.

Senator McKELLAR. For any purpose.

Mr. BROWN. It is an increase.

Senator McKELLAR. That is what it means, virtually. Now, I haven't yet gotten exactly your idea about that first clause. You are satisfied with the 15 per cent per annum up to and including \$1,200, and then \$24 per mile additional?

Mr. BROWN. No; I do not think a level percentage increase, Senator—while the carriers will be glad to get anything—I don't think it anything like adequately meets the demand.

The CHAIRMAN. Mr. Brown, have you got any figures there that would show approximately the cost of maintaining a horse for a year, in the way of feeding and shoeing?

Mr. BROWN. Yes, sir; these are figures showing that [referring to expense statement]. And not only that, but they give the price of gasoline, oats, and hay.

Senator VARDAMAN. Give the price there for the horse?

Mr. BROWN. Well, he puts here for two horses, shoeing and repairs, \$35.

The CHAIRMAN. Shoeing and repairs?

Mr. BROWN. Yes. Now, this man has a 28-mile route—

Senator VARDAMAN (interposing). Isn't that repairs of vehicle?

Mr. BROWN. Repairs for the vehicle. We haven't got those two items separate.

The CHAIRMAN. Now, what is the feed?

Mr. BROWN. He puts it—oats, \$85; hay, \$60; other feed and expenses, \$15; and depreciation, \$75.

The CHAIRMAN. Depreciation of what?

Mr. BROWN. Depreciation of the cost of the vehicle and his horses, and that sort of thing.

Senator McKELLAR. Is that for two horses or one?

Mr. BROWN. That is for two horses. Now, he uses a horse four months in the year and an automobile eight months in the year.

The CHAIRMAN. Well, that is not a fair illustration. I want to know what it costs to maintain one horse or two horses for a year. Haven't you got figures of that sort?

Mr. BROWN. Yes; here is one from Georgia. This route is 19½ miles in length, and the salary is \$960. He uses a horse and wagon 12 months. He uses two horses and one vehicle. The horses cost \$250, and his vehicle \$65. His shoeing cost him \$20, oats \$120, corn \$200, hay \$180. Oats cost 80 cents a bushel and corn \$1.50 a bushel for the two horses.

The CHAIRMAN. What is the total for the year?

Mr. BROWN. The total expense of upkeep and depreciation is \$620.

Senator VARDAMAN. How much corn did the horses eat a year?

Mr. BROWN. \$200 for his horses for corn.

Senator WEEKS. How much corn and oats did they eat?

Mr. BROWN. Oats \$120, hay \$180.

Senator WEEKS. Oats \$120, hay \$180.

The CHAIRMAN. Hay \$180 for two horses or one?

Mr. BROWN. For two.

Senator VARDAMAN. That's a little extravagant, it strikes me.

Senator McKELLAR. That would leave the carrier \$580 a year.

Mr. BROWN. Here is one where he uses one horse 12 months a year. The horse cost \$150, vehicle \$90, harness \$18, shoeing and repairs \$8.50 a month, oats \$10 a month, corn \$12.50 a month, hay \$6.25 a month. It costs him \$29.75 a month.

Senator WEEKS. You can board horses in Washington at the price that that man pays.

Senator HARDWICK. That is too much.

Mr. BROWN. Well, here are some from Alabama. Here is a 29-mile route in Alabama.

The CHAIRMAN. From where to where?

Mr. BROWN. From Centerville, in Mr. Oliver's district. He uses three horses and two wagons. The horses cost \$400, the wagons \$150, and harness \$50, making a total cost of \$600.

Senator SWANSON. Three horses for a 19-mile route?

Mr. BROWN. No; a 29-mile route. He shows here shoeing and repairs, \$9 a month for the three horses. That is \$108. Corn \$500, hay \$80, other feed and expenses \$100, depreciation on all of them \$150.

Senator WEEKS. It cost twice as much to shoe a horse in Alabama as it does in Georgia.

Senator MCKELLAR. That is \$938. And what is his compensation now?

Mr. BROWN. \$1,200.

Senator MCKELLAR. That doesn't leave him much.

Senator SWANSON. Does he say what he does with those horses the two days he is not using them? Does he use all three horses each day?

Mr. BROWN. On a route like that I should say they would do this—without knowing this particular place—leave one horse half way out on the route each day. He would start out with two this morning. Half way out on the route he would take out one horse and leave him there and put in a new horse and come back. The next day he would take out the horse that went the whole way around yesterday, and take him out half way around to-day. So that a horse has a rest every other day, using three horses like that.

I know, gentlemen, that some of these statements seem unreasonable; but you take them all the way through, of the 15,000 statements that we received and compiled in my office, the average is about \$600 a year.

•Senator HARDWICK. For two horses?

Mr. BROWN. For the equipment maintenance.

Senator HARDWICK. Including depreciation?

Mr. BROWN. Including depreciation.

Senator HARDWICK. Now, the truth about it is, taking the country as a whole, isn't it, that you can feed the horses at from \$15 to \$18 a month apiece? You can board them here in Washington for \$30 or \$35; that includes care, delivering them at your house, and everything else.

Mr. BROWN. There are lots of our fellows, Senator, that hire horses at \$2, \$2.25, and sometimes \$2.50 a day.

Senator HARDWICK. Well, of course that is another question.

Senator MCKELLAR. There isn't any doubt but what the cost of keeping horses has increased marvelously in the last two or three years.

Senator HARDWICK. Yes; but \$18 per month will cover the cost of keeping a horse, taking the country as a whole.

Senator VARDAMAN. The average horse does not eat three bushels of corn a week. He eats about 80 ears—about 100 ears to the bushel.

Senator MCKELLAR. Mr. Chairman, I would like to have Mr. Brown, if he will, just take that first paragraph there and tell us how he would write that if he were writing it.

The CHAIRMAN. You mean the first paragraph in the House bill?

Senator McKELLAR. The one introduced by Mr. Moon January 31, 1918. It reads:

That carriers in the Rural Free Delivery Service shall receive 15 per centum per annum up to and including those receiving \$1,200 per annum, and \$24 per mile per annum for each additional mile over twenty-four miles.

Now, as I understand it, Mr. Brown, you do not think that is exactly right, and I want to know what you think is right.

Mr. BROWN. I would say this, Senator, "that carriers in the R. F. D. Service shall receive in addition to the compensation now provided by law the following sums for equipment maintenance: For routes of 16 miles and under, \$120 per year; for routes of 18 miles and under 16 miles, \$150;" and on up till it gets to 24 miles, which would be \$240.

Senator McKELLAR. Instead of \$180, make it \$240!

Mr. BROWN. Yes, sir; and go on from that. And for each mile in excess of the standard of 24 miles an additional sum equivalent to the amount now deducted for each mile on routes less than the standard.

Senator HARDWICK. We worked that out last year. You mean you would put exactly the same scale above as you would below?

Mr. BROWN. I don't see any argument against it, Senator. If it is fair to penalize a man on a certain gradation below 24 miles, it is indefensible not to reward, in the same ratio, him above 24 miles.

Senator HARDWICK. My recollection is that is exactly what we did last year.

Mr. BROWN. That is what your amendment was, I am quite sure.

Senator HARDWICK. This committee adopted that, but it was lost in conference.

Senator McKELLAR. How many routes in this rural service are standard routes, 24 miles?

Mr. BROWN. About 75 per cent; that is, standard or over. I should say that there are in excess of 35,000 standard or over. Then a provision that seems to me very desirable and meets the wishes of the department would be for a man that has an excess volume of mail—Senator Weeks knows better than any of the rest of you gentlemen, probably, about an extraordinary route up at Hampton Beach. I think I have heard him refer to that particular route at Hampton Beach, where a carrier had a short route and handled fifty or sixty thousand pieces of mail per month. Obviously it was unjust to that man, and if you could make a gradation, say, that for the first 10,000 pieces the normal salary should apply and for each 5,000 in excess of the first 10,000 there should be an increase of a sum equivalent to 5 per cent of the carrier's salary, I think that would be a fair provision.

Senator HARDWICK. Well, it is a mighty bad thing to go into that, because if you go into it in one case you would have to go into it everywhere. I would rather put a special appropriation in for that one route than to undertake to do that.

Mr. BROWN. This is to make it a general proposition. That meets the wishes of the department. That adds to the flexibility of the proposition.

Senator HARDWICK. But the trouble with that proposition is this, Mr. Brown: Of course, if the Government is going to establish these

routes and give the service, it must not penalize the carrier because the mail is scant on one route that is authorized and insist on its being served; and once you get started on that line, that is what is going to happen to it. If you are going on the amount of business you handle, you are getting on dangerous ground.

Senator SWANSON. The department could abolish half the routes in the country in that case.

Mr. BROWN. There is a provision in the act of July, 1916, relating to the handling of locked pouches. The act authorized the Postmaster General to pay for locked-pouch service at the rate of \$12 per year per mile. I have made somewhat diligent inquiry about that matter and I have only been able to find one rural carrier that ever has been paid for that service.

I have some rather astonishing statements here from some of the carriers about it. One man in North Carolina says that he applied for it, and the department wrote him there wasn't any such law to authorize a payment of that sort. I have a letter here from Georgia to the same effect from a man that handled about 3,000 pounds of pouch mail a month. He must have a bigger automobile to handle it with, and the department won't pay him anything for it. Senator Hardwick knows about this individual case. The carrier took it up with him, and I think they both took it up with the department. Nothing has been done, and probably nothing will be done.

Senator HARDWICK. How much money was appropriated under that?

Mr. BROWN. No specific sum.

Senator HARDWICK. So there is no unexpended balance?

Mr. BROWN. No; and it is a small matter at best, because there are not very many that have that imposition.

Senator HARDWICK. How many of them are there in the country?

Mr. BROWN. I have no means of knowing. I should say, though, that there are less than 2,000. So the amount—the aggregate sum—would be very small; but it would do justice to the men who have that burden imposed upon them.

Senator HARDWICK. We would have to change that language and make it mandatory if we ever did it.

Mr. BROWN. That is the only way you could get around it.

Senator SWANSON. What do you recommend for routes of 24 miles, who receive \$1,200 now? What increase do you recommend?

Mr. BROWN. \$240 for equipment allowance.

Senator SWANSON. That would be \$1,440. How much is that a mile?

Mr. BROWN. Well, that is an increase of \$20 a month; that would be \$60 a mile.

Senator SWANSON. What do you recommend for a route of 16 miles now?

Mr. BROWN. \$960.

Senator SWANSON. That would be \$60 a mile.

Mr. BROWN. Yes; it just happens that they work out that way. Some of them do not work out that way.

Senator HARDWICK. They ought to all work out that way, shouldn't they?

Mr. BROWN. No; because the gradations are not uniform. The present mileage rate for 24 miles and less is not uniform.

Senator HARDWICK. That is what I have been bothered about, if you take it on the ascending scale. I do not know whether it is a correct gradation or not.

Mr. BROWN. It is a very fair gradation.

The CHAIRMAN. It would be going down, but would it be the same going up?

Senator HARDWICK. What would that pay the carrier with a 36-mile route?

Mr. BROWN. Well, it would pay him a good deal.

Senator HARDWICK. In the hearings last year we had that scale presented. I wonder if I can lay my hands on it.

Mr. BROWN. A man gets \$672 on a 16-mile route.

Senator HARDWICK. Then on a 36-mile route he would get \$1,839.

Mr. BROWN. And he would earn it, too.

Senator HARDWICK. I don't know whether it is right in principle.

Mr. BROWN. The man that has to cover 36 miles a day, day in and day out, earns his money.

Senator HARDWICK. Then you want it put in as an equipment allowance?

Mr. BROWN. I think the present salary basis is very fair for 24 miles and under. I do not see how it could be very well improved on, and I think the committee would save a good deal of trouble in the future, possibly, by establishing now the principle of equipment allowance, the same as they have in the city service. Now, about this locked pouch business, here is a man at Beaver, Okla., who says he must travel 6 miles off his route for nothing else than to get a locked pouch. He gets no pay for it, although he goes 6 miles out of his way and back.

Senator HARDWICK. We gave the department the order to pay them, but we did not require them to do it.

Mr. BROWN. No; and they have not done it. Here is a man at Marietta, S. C., who says:

On the 15th of November the railroads to this place ceased operation. Since that time I have carried the locked pouch from Cleveland and River Falls each day. No pay for it.

He has taken the place of the railroad.

Senator VARDAMAN. I am a little surprised that the department would act in that way about those things.

Senator MCKELLAR. You remember we increased the rate of pay several years ago, and it was knocked out on a technicality.

Senator HARDWICK. Let me give you a little idea about this rural carrier business. Now, we will take the standard route as a basis of calculation, \$1,200. You want an equipment allowance of \$240 for that standard route. That is 20 per cent, is it not?

Mr. BROWN. Yes, sir.

Senator HARDWICK. Why not just apply 20 per cent to all of them? That would be a great deal shorter way of writing it, and wouldn't it arrive at the same conclusion?

Senator MCKELLAR. You mean just a flat increase on all routes?

Senator HARDWICK. Yes; just a flat increase for equipment allowance of 20 per cent.

Senator MCKELLAR. What would that cost?

Senator HARDWICK. It would cost the same as the other, I think. That is what I want to find out.

Mr. BROWN. That is approximately the same thing.

Senator HARDWICK. Now, let us take it for a 12-mile route. What is the salary for a 12-mile route?

Mr. BROWN. \$672. Our proposition was \$120 for everybody under 16 miles. There are only about seven or eight hundred routes under 16 miles long, so it amounts to very little anyway.

Senator McKELLAR. Twenty per cent would be the same thing that you suggested over here.

Mr. BROWN. Practically the same thing.

Senator HARDWICK. It applies to every man in proportion to his route?

Mr. BROWN. Exactly.

Senator HARDWICK. Instead of grouping them by classes, and if you take 20 per cent, why not apply it to them all, big, little, and all alike. Why wouldn't that do just as well and be a shorter way of working it? I am asking for information now.

Mr. BROWN. My only idea, Senator, was this: To establish a permanent basis of compensation for the carrier instead of saying "20 per cent of the amount of your salary."

Senator HARDWICK. Well, that is just a way of arriving at the amount, and that applies to everybody according to his existing salary—just give them 20 per cent more.

Mr. BROWN. For equipment allowance that would be very satisfactory.

Senator HARDWICK. Of course the answer might be made—but it would be made to your proposition just as well—that the fellow with the shorter route might have to have as much equipment as the other fellow, if he had rough territory to travel, as Senator Swanson suggested; but if you grade it as you suggested, it amounts to that anyhow.

Mr. BROWN. Yes; that would be very satisfactory.

Senator McKELLAR. If it is properly graded now with that increase.

Senator VARDAMAN. You say a flat increase of 20 per cent would be satisfactory?

Mr. BROWN. Up to 24 miles it would be satisfactory.

Senator VARDAMAN. Well, what about beyond that?

Mr. BROWN. Then a mileage increase in ratio to the present deductions below 24 miles. That would be very satisfactory to us.

Now, gentlemen, there is just one more phase of the service that I would like to refer to. We are having our troubles now with the Postmaster General advertising Rural Delivery Service to be let out by contract, as I regard it, in direct violation of the law. We have a case across the river at Anacostia that he advertised to let by contract. The carrier was getting \$1,200 a year, and he wanted to hold the job, believing that Congress would help him out somewhat. Without any notice to him, without any notice to anybody else, the department advertised that one particular route, which was in daily operation, to let it out by contract—star-route service. They specified his route from point to point, point to point, all around. The carrier wanted to hold the job, but he had to resign in order to do it.

He was getting \$1,200, and he bid \$1,735 on that route. He was the only bidder except a negro. The negro's bid was less, but I believe they did not consider the negro's bid at all. They finally tried to get this respectable, responsible bidder, who had furnished his bond, to reduce his bid. I believe he was willing to reduce it to \$1,600 plus the price of the bond, which was about \$80 or \$90, as I recall it. The bondsman, however, would not accept it. The bonding company said that \$1,735 was as low as he ought to bid on that route, and they would not give him a bond for any less.

The CHAIRMAN. And he could not bid on it until he resigned?

Mr. BROWN. No.

Senator HARDWICK. Isn't there a provision of law against that sort of business?

Senator SWANSON. They abolished the route and made it a star route?

Mr. BROWN. The route has not been abolished.

Senator HARDWICK. They substituted a star route for it.

Senator SWANSON. Now, then, under the star-route service, as I understand it, they can not compel you to deliver mail to any individual unless the individual gives you a written request to deliver it.

Mr. BROWN. But this is a new kind of star-route service, that specifies that you must collect and deliver the mail and sell stamps and write money orders.

Senator SWANSON. Where did they get authority for that?

Mr. BROWN. I couldn't answer that, Senator.

Senator SWANSON. Will you put a copy of that contract or advertisement in your hearing?

Mr. BROWN. I will see if I can get a copy of that. Here is one that will probably answer the same purpose from Camilla, Ga., where they are advertising for exactly the same thing. It specifies the outlines of the route.

(The paper referred to is here printed in full, as follows:)

ADVERTISEMENT FOR MAIL SERVICE. STATE OF GEORGIA.

POST OFFICE DEPARTMENT,
Washington, D. C., January 19, 1918.

Sealed proposals will be received at the office of the Fourth Assistant Postmaster General until February 26, 1918, for carrying the United States mails for the term from March 15, 1918, to June 30, 1920, on the following-described route—including the depositing and collecting of mail along the route—by the schedule stated, or such other schedule of like running time as the Postmaster General may prescribe—

From Camilla south to Daniel residence, 4.3; retrace, 0.5; west by Lewis corner to Cochran corner, 2.8; south to Bradford corner, 2.3; southeast and south to Anderson corner, 1.8; west passing Mount Olive Church and NeSmith corner to Whigham Road, 6.4; south on Whigham Road to Turners Still, 3; west on county line road to Swindell tram road, 3.7; north to Cross corner, 3.5; west passing H. Davis corner to Cox corner, 5.1; north to Norman Ferry road, 1.2; east and northeast passing the still to Whighams Road, 4.1; east to Hopeful Church, 1.1; east to Mulford corner, 2.1; south and southeast, 3.1; miles by Holt and Fitzgerald corners to Faircloth (n. o.), returning west and north by Holt and Anderson corners to F. Fitzgerald's place, 3.1; retrace to Henderson corner, 1.1; northeast, north, and east by Jeter, Sanders, and Stewart corners to W. N. Spence place on Hawthorn trail, 7.6; and north 2.4 miles to Camilla, equal to 28.60 miles and back, six times a week.

(Motor vehicle to be used when road and weather conditions permit.)

Contractor to be required, in addition to usual box delivery and collection service, to sell stamps, supplies, deliver registered matter, and accept and give

receipt for applications for money orders and the money therefor; also for matter presented for registration or for insurance and c. o. d. parcels.

Leave Camilla daily, except Sunday, at 9.15 a. m.

Arrive Faircloth (n. o.) by 2.45 p. m.

Leave Faircloth (n. o.) at 2.45 p. m.

Arrive Camilla by 5.25 p. m.

Bond required with bid, \$2,800.

(On form No. 4197, advertisement for mail service.)

Senator SWANSON. You mean that the Postmaster General, in defiance of the law of Congress, is endeavoring to substitute, according to his notions, star-route service for Rural Delivery Service?

Mr. BROWN. Well, Senator, I will read you the provision of the law and his advertisement. The law says:

That no part of this appropriation—

This relates to the star-route appropriation—

That no part of this appropriation shall be expended for the continuance of any star-route service patronage which shall be served entirely by extension of Rural Delivery Service, nor shall any of said sum be expended for the establishment of new star-route service for a patronage which is already entirely served by Rural Delivery Service.

Now, that covers the point. Here is an advertisement that appeared in the local postoffice here January 8:

The Post Office Department has requested bids for a star-route service on rural routes 1, 8, and 9. Routes 8 and 9 were formerly route B from Anacostia station. Those interested should call upon the superintendent at Anacostia station for information, etc.

It is signed by M. O. Chance, postmaster.

Senator SWANSON. Who issued that?

Mr. BROWN. Mr. Chance, the postmaster.

Senator SWANSON. Mr. Chairman, why don't you summon him here to explain by what authority he does that?

The CHAIRMAN. Now, this man that you are talking about, this man who has served on this rural route that was abolished, came here to see me and talked the matter over. He said he was satisfied to do the work as he was doing it, and that he wanted to bid on this star route if it was going to be established, but they would not permit him to bid until he resigned as a rural carrier.

Mr. BROWN. Yes; that is the same man, and, Senator, he went to the Fourth Assistant Postmaster General—or some one in charge down there—and they told him that he might bid on all three of these routes—routes 1, 8, and 9—and sublet them.

Senator McKELLAR. The only thing about the claim was that the proposed routes were not entirely served. You see the word "entirely" is the only way it could be gotten round.

Senator SWANSON. As I understand it, this service was being rendered for \$1,200, this identical service?

Mr. BROWN. Yes, sir.

Senator SWANSON. The same individuals received mail, the same road that was traveled is now being paid for \$1,500 by contract?

Mr. BROWN. I don't know that it is being paid for. I noticed in the Official Bulletin a few days ago where they authorized a payment of \$1,500.

Senator SWANSON. In other words, they paid \$300 more to deliver this service by star route than they did by rural delivery?

Mr. BROWN. Yes.

Senator SWANSON. For the purpose of establishing a precedent that can be used hereafter if we acquiesce in it, you think?

Mr. BROWN. Well, I don't know.

Senator SWANSON. I think we ought to call Mr. Chance, who is doing this business that we think the law does not authorize, and ascertain from him by whose instructions, by what authority he does it. Mr. Chance is doing it, and we ought to ascertain from him by what authority he does it.

Senator HARDWICK. He is doing it by the authority of the Fourth Assistant Postmaster General.

Senator SWANSON. Well, I want to see Mr. Chance first.

The CHAIRMAN. Is this star route as now established the same length as the rural route that was abolished?

Mr. BROWN. Identically the same.

The CHAIRMAN. Does it serve the same territory?

Mr. BROWN. The carrier informs me it is the same from point to point.

The CHAIRMAN. Then there is no difference in the two routes and the service required?

Mr. BROWN. Not one iota.

The CHAIRMAN. I think that ought to be explained.

Senator McKELLAR. I think so, too.

Senator SWANSON. I make the motion that the chairman of this committee be requested to have the attendance of Mr. M. O. Chance, and that he be interrogated by this committee on the subject.

The CHAIRMAN. All right; that may be done.

Senator HARDWICK. I think we ought to go further than that.

Senator SWANSON. Well, let's see him first.

Mr. BROWN. Now, this carrier, as I have already stated, said that he made inquiry and they told him that he might bid on all three of those routes.

The CHAIRMAN. Are they all in the District?

Mr. BROWN. They all start from Anacostia.

Senator McKELLAR. And he got only one?

Mr. BROWN. He only bid on one of them.

Senator McKELLAR. He got the route he was rural carrier on before, and now he has a star route?

Mr. BROWN. No; he bid \$1,735, and he would have reduced the bid a little, but he could not get a bond.

The CHAIRMAN. Now, you say he is authorized to bid on three routes?

Mr. BROWN. They told him they would accept his bid—that is, they would receive his proposal on all three routes.

The CHAIRMAN. On which three?

Mr. BROWN. On the three routes from Anacostia.

The CHAIRMAN. Three different routes?

Mr. BROWN. Three different routes.

Senator SWANSON. Have they been having any trouble around Washington in getting rural carriers to continue the service?

Mr. BROWN. No, Senator; up to September 1, 1915, there were six routes out of Anacostia giving excellent service, everybody contented, satisfied. Some of the territory in the District, most of it in Mary-

land. The 1st of September, 1915, they consolidated five of those rural routes into two motor routes, and immediately their troubles began, and they have had trouble with those two motor routes ever since.

The CHAIRMAN. This man's route was not a motor route?

Mr. BROWN. No; his was the only route that was not disturbed.

Senator SWANSON. The only reason that I can see for it is that they want to establish a precedent to be used elsewhere, where people are resigning. A rural carrier can resign any time he wants to, but under the contract system they get a contract to deliver the mail for four years, during the war. But you say there was no occasion for that?

Senator McKELLAR. As I understand it, you say he was told—that the advertisement said it was to be a star route?

Mr. BROWN. Yes.

Senator McKELLAR. And he was told that he had to resign before he could bid on it?

Mr. BROWN. That is what they told him at the post office.

The CHAIRMAN. That is what he told me, too.

Senator HARDWICK. There is no need of sending for Mr. Chance, because we have seen him.

Senator SWANSON. I want to see him. I want to see what conversations he had in reference to it.

Mr. BROWN. They are doing the same thing in Kentucky and Ohio. I have letters here to the same effect.

Senator McKELLAR. Are you going to speak about the city service?

Mr. BROWN. No, Senator.

Senator McKELLAR. You have nothing to do with that?

Mr. BROWN. No.

Senator SWANSON. How many rural carriers have resigned around Washington?

Mr. BROWN. Well, they dismissed those five over there and put on two motor carriers, and they have had nothing but a continuation of trouble with them, practically ever since. On one of those routes they have had no delivery for, I dare say, two months now.

Senator SWANSON. On the rural delivery?

Mr. BROWN. Yes.

Senator SWANSON. Was that on account of inability to get carriers?

Mr. BROWN. On account of the inability to get carriers—that is, for the 50-mile motor routes—and bad roads and that sort of thing. But they could have done this, Senator: I am inclined to think there is a provision in the law that says if they can not get carriers, they can let the service out by contract; but if they had put those two motor routes back into five horse-drawn vehicle routes, as they were originally, they could have gotten every old carrier that was on the routes formerly to come back and take the jobs and give them the same good service and satisfactory service that they had before.

Senator McKELLAR. At really less price?

Mr. BROWN. At a saving in money.

Senator HARDWICK. Here was the trouble: There were six routes out there, and they consolidated five of them, I think it was, into one of these motor routes.

Mr. BROWN. Into two.

Senator HARDWICK. Into two motor routes. Well, now, that service finally broke down on account of roads and length of routes, and they do not want to put the rural-delivery service back, and they advertised them for star-route service.

Mr. BROWN. Now, there is just one more item that I would like to touch on very briefly, and that is in relation to the motorcycle proposition. In the act of July 28, 1916, you gentlemen thought you had solved that, but it seems that you did not. Another interpretation has been placed on the law. In the consideration of the Agricultural bill in the House, the other day, Chairman Lever made this statement, in asking for an allowance for equipment for certain inspectors, or somebody in the employ of the Agricultural Department. He made the statement that it cost three times as much to operate an automobile as it did a motorcycle. Now, gentlemen, in these times of stress, and high cost of living and gasoline still going up every day, I do wish it might be arranged so that a rural carrier, if he wants to use a motorcycle, can do it without any hindrance or interference by the department.

Now, Mr. Blakslee made this statement, that for every package that comes in from a rural route to the post office for dispatch from the office eight go out on the route. So that if a rural carrier when he starts out on his route in the morning sees that he has got eight packages to take out with him, and if he can fasten those packages on his motorcycle, and take them out comfortably and safely and make delivery of them, he certainly can bring the one back in. Now, the only objection that ever was offered to the motorcycle was that it hampered the development of the parcel post. Now, when there are eight packages that go out on a route to one coming in, any hampering that is done is not done by the motorcycle rider in rural-delivery service, but it is done on account of the regulations of the department which prevents the development of parcel post out on the routes.

Senator SWANSON. And what is the heaviest package that can be taken up on a rural-delivery route?

Mr. BROWN. Fifty pounds is the maximum-weight limit now.

Senator SWANSON. How many 50-pound packages can you carry on a motorcycle?

Mr. BROWN. Oh, well, if he had some 50-pound packages, he wouldn't undertake to take them on a motorcycle.

Senator SWANSON. Supposing he got to a farmer and he found that the farmer had 40 or 50 pounds of something that he wanted to have carried right in. How would he handle that situation?

Mr. BROWN. He would take it on the back of his motorcycle. Why, he can put a woman on the back of his motorcycle weighing 150 pounds and bring her into town.

Senator SWANSON. The trouble is with these motorcycles that if you are surprised and have an excess of work or packages on one day, you have got to wait until to-morrow to arrange to get them in.

Mr. BROWN. That does not occur out on the routes coming in, because there is very little stuff which comes in.

Senator SWANSON. Does the law now allow them to have motorcycles with the approval of the department?

Mr. BROWN. With a side van, one of these bathtub arrangements on the side of the machine.

Senator SWANSON. So that the postmasters at different places would know as to whether motorcycles gave efficient service?

Senator HARDWICK. We tried to remedy that in 1916, and we decided that we had to have some administrative flexibility, so we said they ought to be allowed to use them whenever the postal authorities thought they could give efficient service on the routes, which I think is the best way to put it. Now, they contend it would not do for us to go any further than we have already, because the tendency of these rural carriers will be to discourage the development of parcel-post business out on their routes; if they have motorcycles, they don't want to be bothered with packages and will do all they can to induce patrons with whom they have friendly relations not to build up a parcel-post business along their routes. That is their contention. That is really what they say about it, and there is some merit in it.

Mr. BROWN. There is this about that, though, that you must bear in mind, that the rural carrier can not help or hurt the business. A law that was passed when rural delivery was in its infancy prohibits the men in the service from soliciting business or interfering with it one way or the other.

Senator HARDWICK. Yes; but they have got a good deal of influence through the neighborhood.

Senator McKELLAR. But, on the other hand, it works the other way. The people have got a great deal of influence with the rural carrier, and he will want to stand in with them.

Senator HARDWICK. Yes; but there is some danger along that line.

Senator SWANSON. The present law authorizes their use if they can do the service efficiently. Now, if they get a report from the postmaster who is at that village that the motorcycle is satisfactory, then they can use it there?

Mr. BROWN. No; because they issue an order straight away prohibiting the use of motorcycles without side vans, and they specify certain cylinder displacement and a certain width of tread, which puts the motorcycle with a side van in identically the same class with the automobile.

Senator McKELLAR. Doesn't that go beyond the law?

Mr. BROWN. The big advantage of the motor cycle has been that they could let down the bars of a fence and ride along on the inside of a fence, or ride along a footpath—almost cross a stream on a foot log—with a solo proposition, but they can not do it with a wide standard tread.

Senator SWANSON. One advantage of it is that it keeps from taking care of a horse. I know they had motor cycles in my little town, and they didn't carry very many packages.

Mr. BROWN. It is most economical. That is one of the things in favor of it.

Senator HARDWICK. The trouble is if we undertake to fix that in hard and fast language it may give the department and the administration of the service the worst of it.

The CHAIRMAN. If you are going to legislate on that subject so as to make it a hard and fast rule, then you will get into trouble on the percentage of increase.

Senator SWANSON. If we pay them for automobiles and pay them for having vehicles to pick up anything hanging around the country that wants to get to the market, and let them take that credit and then go with a motor cycle, which can not accommodate any increased patronage which might come up on a trip, it makes quite a different situation.

Mr. BROWN. Then, gentlemen, I hope that you may give serious consideration—

The CHAIRMAN (interposing). Let me ask you this question: Is a rural carrier, who operates a motor route, permitted to carry any passengers and charge fare?

Mr. BROWN. No, sir.

Senator McKELLAR. He is permitted to carry passengers, is he not?

Mr. BROWN. No, sir. I will say, Senator, there is one of the arguments that was offered by the Fourth Assistant Postmaster General, or the Postmaster General, in arguing for a contract service, that carriers might carry passengers. Now, just consider a minute the circuitous course of a rural delivery route. Suppose a man wants to go out here 12 miles. He is a drummer or a business man, and he wants to go to a store over here 12 miles away. He goes straight across there in about 6 or 7 miles, while with the rural carrier he has got to go out here and in and out and stop at every mail box on the way.

The CHAIRMAN. I understand that, but there are a great many rural routes where passengers might be carried conveniently if they were permitted to do it, and add something to their compensation.

Mr. BROWN. That is one of the arguments the department offered that seemed to be without foundation.

Senator HARDWICK. What suggestion do you have to make as to the motor-cycle business?

Mr. BROWN. I suggest this: Take the act—here is the provision in the act of July 28, 1916, which reads as follows:

Provided further, That carriers in Rural Mail-Delivery Service shall furnish and maintain at their own expense all necessary vehicle equipment for prompt handling of the mail.

Now, that is the first provision, and here is another:

And provided further, That nothing herein shall be construed, and no order shall be issued, to prevent the use of motor vehicles on horse-drawn vehicle routes.

Now, that is your original amendment. When you got into conference this was added:

Provided further, That the Postmaster General, in his discretion, may require all carriers to furnish sufficient equipment to properly handle postal business on their routes.

Senator HARDWICK. We had to, to get through.

Mr. BROWN. The first provision covers that altogether, where you say:

That carriers in Rural Mail-Delivery Service shall furnish and maintain at their own expense all necessary vehicle equipment.

Senator HARDWICK. I thought so at the time and think so yet, but there was nothing in that language which authorized a rural carrier to employ a motor cycle, if in the opinion of the department that

did not insure efficient service on his route. Now, you wouldn't want to do that, would you?

Mr. BROWN. The motor cycle is one of the most efficient vehicles in the service.

The CHAIRMAN. There is no question about it being efficient so far as its efficiency goes. The question here is whether you can carry parcel post on them.

Mr. BROWN. I mean it is one of the best utility vehicles in the whole service.

Senator HARDWICK. Well, it would not do for some routes where they have a great deal of parcel post.

Mr. BROWN. They don't use them on those routes. The carrier himself has got to buy the vehicles, and if a motor cycle can not be used advantageously on his route, he would not spend his money for it.

The CHAIRMAN. Now, who is to be the judge of whether it can be used or not?

Mr. BROWN. I should say the carrier and the local postmaster.

Senator HARDWICK. When you say the local postmaster that means, after all, the department, does it not?

Mr. BROWN. Yes; in a way, it does. The carrier certainly should know whether or not he can take the stuff out on his route.

Senator HARDWICK. Still, the postmaster controls those things over him.

Mr. BROWN. Now, I do hope that you gentlemen will give consideration to the locked pouch proposition. I have here perhaps 75 or 100 complaints from men all over the country that they must go out of their way, some of them, to do this work, and they don't get a cent of pay for it. They have to provide larger equipment than would be necessary otherwise.

Senator HARDWICK. I think that is right. I don't think there are any two ways about that.

Mr. BROWN. Then, the other two big items are equipment allowance and pay for mileage in excess of the standard.

Senator HARDWICK. What do you think about the 20 per cent suggested?

Mr. BROWN. That is entirely satisfactory.

Senator HARDWICK. It would accomplish practically the same thing.

Mr. BROWN. It would accomplish practically the same thing, and will be a simpler way of taking care of the carriers, and over and above 24 miles on a mileage basis.

The CHAIRMAN. The committee will now hear Mr. Thomas F. Flaherty.

STATEMENT OF MR. THOMAS F. FLAHERTY, SECRETARY-TREASURER OF THE NATIONAL FEDERATION OF POSTAL EMPLOYEES, WASHINGTON, D. C.

Mr. FLAHERTY. Mr. Chairman, I would like to make a brief statement. I want particularly to analyze this third paragraph in the so-called Moon bill, in so far as it affects city letter carriers and post-office clerks. The provision is far from being satisfactory, in my judgment.

The first and biggest defect is that it only applies during the period of the war and 90 days after the proclamation of peace, which robs it of much of its effectiveness.

This provision, moreover, would not immediately benefit men in the \$900, in the \$1,000, and in the \$1,100 clerical and carrier grades, because those men are taken care of under the existing classification law.

Senator McKELLAR. The 5 and 10 per cent increase?

Mr. FLAHERTY. They would get no immediate benefit at all, Senator, from this provision, because under the existing classification law passed in 1907, the \$900 men would be promoted to \$1,000; the \$1,000 men to \$1,100, and 85 per cent of the \$1,100 men to \$1,200.

Moreover, this would provide for only an 8 per cent increase for the most numerous group of workers in the postal service; that is, the clerks and carriers in the \$1,200 grades. It provides that they go to \$1,300. Now, I submit that an 8 per cent increase, in view of the fact that all other groups are taken care of under a 15 per cent increase is not sufficient.

Senator HARDWICK. What particular item is that?

Mr. FLAHERTY. Page 2, lines 1 to 7.

Senator McKELLAR. What is your suggestion about it, Mr. Flaherty?

Mr. FLAHERTY. Well, if this provision is retained in there it ought to be made permanent legislation.

Again, here is what I fear is a defect:

Clerks and carriers shall be promoted successively to the sixth grade.

I think that the word "yearly" or "annually" should be placed in there, because a man can be promoted successively and yet two or three years may lapse between the promotions.

Senator HARDWICK. It depends on whether the vacancies occur.

Mr. FLAHERTY. No; this is a new reclassification, Senator, of salaries of post-office clerks and letter carriers. The existing law passed in 1907 provides for an entrance salary of \$800, with automatic promotions to \$1,200, which is the maximum. Now, this section seeks to establish \$1,000 as the entrance grade with automatic promotions to \$1,500; it does not clearly state that the promotions should be annually. You catch the point? It says, "Shall be promoted successively."

Senator HARDWICK. Should that not depend somewhat on their efficiency?

Mr. FLAHERTY. All promotions under existing law depend upon efficiency. A clerk or carrier now can not be promoted unless he has a satisfactory efficiency record.

Senator HARDWICK. What does the word "successively" mean there?

Mr. FLAHERTY. It means, in the original Madden bill, after one year's efficient service in the next lower grade; but you understand the administrative features of the Madden bill were not included in this. They merely took the first paragraph of it and stopped there. Hence, the machinery for the promotions is not provided in here.

Senator SWANSON. But I think it means that the man can not be advanced from the first grade to the third grade, for example, but

has got to go successively through the different grades. A man starts in the first grade and before he can get to the third grade he must be promoted to the second grade.

Mr. FLAHERTY. Yes; but I fear that in the administration this word "successively" may mean in two or three years, and that is something we want to avoid.

Senator SWANSON. It doesn't compel promotions every year unless an appropriation is made.

Mr. FLAHERTY. Yes; the existing classification law provides for promotions from \$800 to \$1,200.

Senator SWANSON. This simply prevents them from jumping a man from the third grade to the sixth grade. He has got to go successively through the grades.

Mr. FLAHERTY. Yes, that is right; yearly. We don't ask that he be promoted oftener than yearly.

Senator HARDWICK. We are only proposing to make provisions for the current fiscal year, and these things will not apply next year unless Congress should enact them.

Mr. FLAHERTY. But there is an amendment now pending before this committee, introduced by Senator Penrose, to make this permanent legislation.

Senator HARDWICK. But we are not discussing that now. We are discussing the Post Office appropriation bill. There is not any chance of that at all.

Mr. FLAHERTY. Then, let me suggest this, if it is not the purpose of the committee to permanently reclassify the salaries of clerks and carriers, that you make it a horizontal increase of salaries. That would be far more liberal.

Senator HARDWICK. The trouble with that is, we are only providing appropriations for the current approaching fiscal year, which begins July 1.

Mr. FLAHERTY. I just heard you ask Mr. Brown what he thought would be a fair increase for the rural carriers, and he said 20 per cent. Speaking, in so far as I can for post-office clerks and city letter carriers and others, receiving up to and including \$1,200, I think that percentage applies to them likewise.

Senator HARDWICK. I just started to ask you—they are increased here from 15 to 25 per cent under this paragraph.

Mr. FLAHERTY. No; they are not.

Senator HARDWICK. Now, the first grade is increased from \$800 to \$1,000.

Mr. FLAHERTY. Yes.

Senator HARDWICK. That is 25 per cent.

Mr. FLAHERTY. Yes.

Senator HARDWICK. That is pretty liberal.

Mr. FLAHERTY. That is pretty liberal, and that is satisfactory.

Senator HARDWICK. Now, the next one is \$900 to \$1,100.

Mr. FLAHERTY. No; the \$900 man now would go to \$1,000 under your successive promotion. In fact, he would not derive any immediate benefit because the existing law takes care of him.

Senator SWANSON. The first-grade salary now is \$800?

Mr. FLAHERTY. Yes. Hence, you see, under this the men now getting \$900 would, it is true, go to \$1,000, but they do that anyway, regardless of whether this is enacted into law or not.

Senator HARDWICK. The \$800 man would go to \$900 if this were not enacted?

Mr. FLAHERTY. Yes, sir.

Senator HARDWICK. Now, take the \$900 man. He would go to \$1,200, wouldn't he?

Mr. FLAHERTY. No; I think not. If he would that would be satisfactory.

Senator HARDWICK. Well, he is a second-grade man, isn't he?

Mr. FLAHERTY. Yes; but I fear that under this provision he would not get it.

Senator HARDWICK. You mean the way it would be administered?

Mr. FLAHERTY. Yes. If that is what it means, Senator, by all means enact it, because that would be ideal. That would take care of this numerous group in the \$1,200 grade and put it up immediately to \$1,500.

Senator MCKELLAR. How was that?

Mr. FLAHERTY. Senator Hardwick is of the opinion that this paragraph as it is written there provides for practically a 25 per cent increase, but I am not of that opinion. I fear that it would not immediately benefit at all the men now getting \$900, \$1,000, and \$1,100.

Senator HARDWICK. Well, that is the idea, anyhow. We will try to fix it.

Mr. FLAHERTY. There is another provision, Senator, that I wish to call your attention to, and that is section 5. It refers to making retroactive the 5 and 10 per cent provisions carried in last year's bill, but if you notice it applies only to watchmen, messengers, and laborers. Well, I submit that if the purpose of the Congress is to help the lower salaried men—and undoubtedly it is—post-office clerks and carriers and terminal clerks and others receiving less than \$1,000 should receive like consideration in this retroactive grade; do not limit it to watchmen, messengers, and laborers only.

And allow me to leave this thought with the committee: If it is the purpose to place in the appropriation bill any legislation, I trust that you will give some consideration toward establishing a punitive rate for overtime in the Postal Service, so that the men in the service can secure the benefits of an eight-hour day.

Unfortunately, under the operation of the existing law—and it does not provide for any punitive rate of overtime, it merely provides that regular employees shall receive the regular rate of compensation—many distributors are forced to work 9, 10, 11, and frequently as long as 12 hours a day. That is the situation down here in the Washington post office at the present time. Postmaster Chance, in a public statement a few weeks ago complained because 140 skilled distributors had resigned in the last few months. And why? Because they are working them 12 hours daily, and they are not giving them their Sundays off, which also is a plain violation of the law. Mr. Brown pointed out in his testimony a violation of the law in which the Postmaster General was advertising for star-route contracts. I can point out another clear and explicit violation of the law, and that is this deprivation of the men in the Postal Service of their weekly day of rest. You gentlemen passed a law which states—and the language is clear, it is defined as clearly as one would wish—that a clerk or carrier working on Sunday should secure a day off upon one of the following six days. That means the men should have surcease from toil one day

in seven. And what has happened? They don't get it; in some of the stations in New York and down here in the Washington office, all during the month of November, December, and January, those men were forced to work seven days a week without a day off.

Now, I do wish that the committee—in fact, I feel that the committee will—take cognizance of the fact that the post-office clerks' and city letter carriers' maximum wage standard was fixed 10 years ago—11 years, in fact, in 1907. To-day it is woefully inadequate, and because of that fact there are many, many resignations. First Assistant Postmaster General Koons told the House Post Office Committee that the number of resignations was not above normal. As a matter of fact, they are. His own figures show that they were resigning now at the rate of 300 a month. A great many of the experienced men are leaving, and it takes some time to train a skilled post-office worker.

The CHAIRMAN. I think we understand all that. We have gone over that two or three times.

Mr. FLAHERTY. And I do wish that the committee, as I say, would take those things into consideration, and be as liberal as they possibly can in reporting out a wage measure for the postal workers.

In support of my contention that the postal-wage bill, as reported by the House committee is, in part, unsatisfactory, I desire to insert in the record the following resolution, adopted by the Chicago Post Office Clerks' Union:

The resolution referred to is here printed in full, as follows:)

Whereas for several years the post-office clerks of the United States have worked for wages so low, that not only were they not compensated for work performed but also the wages did not permit the clerks to meet the ever-increasing cost of living, making it impossible to keep up American standard of conditions; and

Whereas the abnormal conditions now existing, due to the world war, impose still further hardships on the clerks; and

Whereas workers in all outside industries have received increased wages because of these abnormal conditions, in many instances directly at the demand of the administration, but this pressing need of better wages was completely ignored by the Government, as far as its own employees are concerned, except that the Post Roads Committee reported out a proposition which, in our opinion, does not take care of the situation, as it is only temporary and does not provide for annual raises, it being an emasculated parody on the Madden bill: Be it

Resolved, That we, the Chicago post-office clerks, most strenuously object to the inadequate provisions of the bill, especially to its temporary applications, as under the provisions of the majority of clerks and carriers now employed by the post offices of these United States would only receive an increase of \$1.91 per week, a sum absolutely insufficient to relieve the stress of times; also the bill, because it states the raises should be successive, makes it optional with the department to give the raises, which in view of the expressed hostility of the department to wage increases of clerks and carriers will not be exercised in our favor; and be it further

Resolved, That we respectfully ask that the bill be so amended as to make the increases at least partly commensurate with our needs, a horizontal raise of 25 per cent just about meeting the condition; and be it further

Resolved, That this resolution be transmitted to the legislative agent of the B. F. P. E., and by him presented to the chairmen of the Post Roads Committees of the House and Senate for their consideration and action.

Indorsed by Local No. 1, N. F. P. E., Sunday, February 10, 1918.

P. E. BUTLER, Secretary.

I also desire to insert two resolutions favoring increased compensation to post-office clerks, city letter carriers, and railway mail clerks adopted at the last convention of the American Federation of Labor:

(The resolutions, Nos. 110 and 21, referred to are here printed in full, as follows:)

RESOLUTION No. 110.

[By Edward J. Gaiher, president of the National Association of Letter Carriers, and Thomas F. Flaherty, secretary-treasurer of the National Association of Postal Employees.]

Whereas the salary standard of letter carriers and post-office clerks fixed by Congress more than 10 years ago still remains the same; and
Whereas the cost of living during this period has advanced an average of approximately 100 per cent; and
Whereas this increase in the cost of living has operated to all intents and purposes exactly the same as a 50 per cent reduction in wages; and
Whereas the postal employees were the only class excluded from the horizontal wage increase granted to Government employees by the last Congress, notwithstanding the fact that the Post Office is the only governmental department operated upon a self-sustaining basis, its most recent audit showing an annual surplus in excess of \$9,000,000; and
Whereas postal employees are highly specialized workers functioning in a Government monopoly, performing a service which gradually unfits them for employment elsewhere, with no hope of selling their skill to a competing private industrial establishment; and
Whereas despite this fact there have been resignations from the service in such numbers as to seriously cripple its efficiency, delaying the dispatch and delivery of all classes of mail, imperilling the business efficiency of the country at a time when such business efficiency is most needed; and
Whereas because of its oppressive labor policy the Post Office Department has been unable to keep its working force recruited to a proper standard: Therefore be it

Resolved, That the American Federation of Labor in convention assembled deeply deplores this self-evident injustice to a deserving class of public employees, and it urges upon Congress the immediate enactment of a law increasing the pay of these employees not less than 25 per cent; and be it further

Resolved, That the executive council be instructed to cooperate with the officers of all affiliated postal organizations to have the justice of this case brought forcibly to the attention of Congress; and be it further

Resolved, That a copy of this resolution be mailed to each Congressman and Senator by the secretary of the American Federation of Labor.

RESOLUTION No. 21.

RAILWAY MAIL CLERKS' SALARIES.

Whereas as a result of reorganizations, reclassifications, and arbitrary transfers many railway mail clerks have suffered wage reductions in the past few years, thereby lowering the wage standards in this important branch of the Postal Service; and

Whereas the upward trend of living costs has further operated to reduce the wage standards fixed five years ago in the Railway Mail Service and there is a widespread unrest and dissatisfaction among the clerks because of this condition: Therefore be it

Resolved, That this convention indorses the Austin bill (H. R. 391), which seeks to materially increase the entrance and the maximum wage for railway mail clerks, and instructs its officers to cooperate with affiliated railway mail clerks in attempting to secure favorable action upon this measure at the next session of Congress.

With reference to the increased number of resignations—and the reasons therefore—I wish to submit two news clippings which are typical of thousands that I have received:

(The clippings referred to are here printed in full, as follows:)

POST OFFICE HARD HIT—SERVICE CURTAILED BY ENLISTMENTS AND RESIGNATIONS.

That the local post-office department has been hard hit by the present war crisis was the claim made by Postmaster John Thornton in an address yesterday at the weekly luncheon of the Business Science Club in the Hotel Adelphi.

He declared that since the war began 160 clerks have joined the colors, while more than 400 have resigned because of the high cost of living, and 40 more are doing duty in the cantonments. The number of departing employees is increasing daily, he claimed.

"We have asked for the exemption of the \$1,100 and \$1,200 clerks," stated Postmaster Thornton, "for they hold positions which it would necessitate eight years of training to replace, and even then it is doubtful whether the berths could be filled." He further stated that he requested also the exemption of all the automechanics of the department. (From the Philadelphia Ledger.)

TWO HUNDRED AND SEVENTEEN QUIT POSTOFFICE IN PAST SIX MONTHS.

Two hundred and eleven employees of the San Francisco post office have left the Government service within the last six months, according to Postmaster Charles W. Fay.

Of this number one-third have been drafted and the remainder have left because they declare the Government is a poor paymaster.

The salaries of Federal employees have not increased with living cost. Some of the most valued men in the postal service have notified the postmaster they were leaving for positions with larger salaries.

The embargo on the employment of women in the post offices has been raised in many cities, including San Francisco, and there are civil-service examinations for women to qualify for positions. Seven women have been added to the San Francisco force and very soon a large number more will be added. (From the San Francisco Examiner.)

The answer to the question, "Why are the postal employees resigning in such large numbers?" is clearly set forth in this letter, a typical letter of resignation [reading]:

SAN DIEGO, CAL., 4536 Idaho Street.

MR. HARRINGTON BROWN,
Postmaster, Los Angeles, Cal.

DEAR SIR: Because I am unable to support my wife and two babies on the wages I received in the postal department I have been forced to seek employment that is more profitable. I regret doing this, as I have made many friends in Los Angeles that I must leave. The high cost of living and keeping up a home has outdistanced the postal wages and I find myself now, after two years of steady work, \$100 deeper in debt than when I entered the service. Accept this as my resignation and oblige,

WALTER H. MILLER

Senator McKellar. Are these figures here satisfactory to the railway postal clerks, Mr. Chairman?

Mr. E. J. Ryan. If the intent of those figures is carried out, I think that will be satisfactory, Senator. That is for a flat increase of \$200.

The Chairman. We will now hear the representative of the fourth-class postmasters. I believe Mr. H. H. Collins desires to be heard. You may proceed, Mr. Collins.

STATEMENT OF MR. H. H. COLLINS, SECRETARY OF THE NATIONAL LEAGUE OF POSTMASTERS, SOUTH ZANESVILLE, OHIO.

Mr. Collins. Mr. Chairman and gentlemen of the committee, I am here as the secretary of the National League of Postmasters of the third and fourth classes; and, with the exception of the hearing that was recently held by the special committee in the House, this is the first time in history that representatives of these classes of postmasters have asked for readjustment of their compensation.

At the present time there are approximately 50,000 postmasters of the fourth class, ranging in salaries from \$50 a year to \$1,000, with

a possible average of \$500. Out of this amount postmasters must furnish necessary fixtures, suitable quarters for the conduct of the postal business, and heat for same. In addition to this, when the compensation of the fourth-class postmaster reaches \$500 a year, it is necessary in most cases to employ a clerk for at least part of the time, and in all cases he must have someone who is qualified to be left in charge, if for no other reason than for him to go to his meals, which cost must be paid, as I stated before, out of his own compensation.

There was a time when postmasters of the fourth class could conveniently engage in mercantile business and the post office was used as a mere side issue to draw trade. But the advent of the R. F. D. Service has changed this to some extent, as the rural no longer makes his daily trips to the post office and while there makes some purchase of merchandise. But instead the rural carrier delivers his mail at his front gate each day, while the rural resident may jump in his car and drive off to the city to purchase his merchandise. So that the post offices of the fourth class instead of being an asset to the country merchant have come to be a liability, and the postmaster, when he is selling a 1-cent stamp, is losing on a more profitable transaction.

The work and responsibility of the fourth-class postmaster has gradually increased for the last 20 years, especially since the advent of the parcel post, the postal-savings bank, and other public conveniences, while the compensation of the fourth-class postmaster and the method by which it is computed has not been changed since 1883.

The Parcel Post System has proven a blessing to the general public, but it has added nothing, practically, to the compensation of the fourth-class postmaster. It has been officially stated that for every parcel that is mailed for dispatch there are eight received for delivery at the smaller offices. While it can not be accurately figured, yet we believe that the Parcel Post System has actually reduced the compensation of the fourth-class postmasters, especially in the smaller offices, as many of the parcels to which now the parcel-post rate applies would have been mailed under the old rate of 1 cent an ounce.

Out of the 50,000 fourth-class postmasters there are probably 10,000 whose yearly compensation is \$200 or less. These receive practically all the funds that accrue at the offices, and under the present system there is no way by which they can be justly compensated. Practically all of such offices are operated in connection with some mercantile business, as no man could devote his time to such a business on such a meager salary. But in these cases valuable space is devoted to the postal business, and the office is open from 10 to 16 hours per day, and some one who is qualified must be on the job constantly and reports must be rendered that are practically the same as those from the larger offices.

It has been argued that because of the cancellations of these offices not exceeding \$50 per quarter, that the postmaster is not entitled to greater pay. It would be just as fair to say that the carrier on a rural route is entitled only to the cancellations that accrue on his route; and it is a fact that some of these offices have been established in order that rural routes might emanate therefrom, in which case the

compensation of the postmaster is many times less than that of his subordinate. We are not objecting to the compensation of the rural carrier, but I simply mention this to show the inequality of it. Furthermore, the residents of these communities by this method are deprived of efficient mail service such as they are entitled to. The post office in the smaller communities is the connecting link between the villages and the world; and it is just as important to them as to the city residents, and they deserve just as good service.

I have in mind a post office that has been twice discontinued and has recently faced this same disaster because no one would accept the position of postmaster on account of the meager compensation paid. It is located in a mining community of two or three hundred inhabitants, and the nearest office to which they would have access, should this one be discontinued, is 4 miles away.

Now, gentlemen, I have a number of petition cards that I wish to file with this committee, if you will allow me. These cards were secured by some of our State secretaries, but they do not represent the entire United States.

They indicate in a measure the conditions in the State of Maryland. [Showing cards.] Here are a few from the State of Mississippi; and here are some from the State of Michigan. Here are a few from the State of Virginia. I have also a number from the State of Ohio.

I have taken time to figure on the average length of time which the fourth-class post offices in Ohio are open each day, and it averages 14 hours a day. Some one must be on the job who is qualified to look after postal affairs on an average salary of \$500 a year. Other post-office employees work a maximum length of eight hours a day. Other post-office employees know how to do one thing, while fourth-class postmasters are supposed to know how to do about all of it.

We believe, gentlemen, that our request is not exorbitant in asking that you fix a minimum salary of at least \$300 per year for all offices now paying \$200 per year or less, and for all other offices of the fourth class, that in addition to the compensation that now accrues from the cancellations of stamps, as provided by law, that you allow each postmaster a sum equal to 25 per cent of his yearly compensation, or \$25 for each \$100 or a meager fraction thereof, based on the previous year's business. If this request were granted, postmasters of the fourth class would still be underpaid. And judging from the letters now on file in my office the department would be deluged with resignations were it not for the hope that this Congress would grant some relief. And when we consider that these resignations would probably come from the most efficient, the result to the service would be serious.

And now, gentlemen, there is one other matter, with your permission, that I shall refer to briefly. The association of which I have the honor to be secretary is composed of third and fourth class postmasters, and I would feel that my duty was not done if I failed to speak a word for the third-class fellows. Under the present system there is an allowance made for these offices to be used as clerk hire, and I do not know of a single case where this allowance is sufficient to pay for the service necessary; and in order to secure

efficient help the postmaster must make up the deficit out of his own salary. This condition is gradually growing worse; wages for that kind of work are gradually increasing, and the compensation of the postmaster remains the same. It seems that a minimum allowance of at least \$500 per year is none too much and a gradual increase above that amount, according to the receipts of the office, should be given.

Senator HARDWICK. The present allowance is \$400?

Mr. COLLINS. I think so.

Senator HARDWICK. The present allowance is \$400?

Mr. BLAKSLEE. I think so.

Senator TOWNSEND. I have noted that in looking over these cards the large number of hours per day that the office is kept open. Are they obliged to keep them open that length of time?

Mr. COLLINS. The regulations compel us to keep our offices open 30 minutes after the last mail train.

Senator TOWNSEND. I wanted to bring that out. So that your hours, the number of hours of service of fourth-class postmaster, is really fixed by the regulations of the Government?

Mr. COLLINS. Yes, sir.

Senator TOWNSEND. So you are obliged to be on duty——

Mr. COLLINS (interposing). Thirty minutes before the arrival of the first mail train in the morning and 30 minutes after the arrival in the evening, providing that train comes before 9 o'clock.

Senator TOWNSEND. These reports are all based on that regulation?

Mr. COLLINS. Yes, sir.

Senator WEEKS. Does the office have to be open all the intervening time?

Mr. COLLINS. They are not even allowed to close it during meals. Some one must be on the job constantly.

Senator HARDWICK. Mr. Collins, I noticed that the committee of the House of Representatives has been considering this subject, and has reported a bill, one section of which provides this [reading]:

That postmasters of the fourth class shall receive the same compensation as provided by law prior to the passage of the act of Congress entitled "An act to provide revenue to defray the war expenses, and for other purposes," approved October third, nineteen hundred and seventeen, except that they shall receive one hundred per centum of the cancellations up to and including \$100 quarterly.

Now, as I understand the law, they get all the cancellations up to \$50 now.

Mr. COLLINS. Yes; they get 100 per cent up to \$50.

Senator HARDWICK. Suppose we give, as this bill suggests, the \$100, would that meet the situation?

Mr. COLLINS. No, sir; because there are 10,000, as I mentioned, who get it all now. They get 100 per cent of the first \$50, and that is all there is.

Senator WEEKS. Under this bill they would get all up to \$100.

Mr. COLLINS. But there wouldn't be anything above \$50.

Senator SWANSON. There are 10,000 who would not be relieved then?

Mr. COLLINS. No, sir.

Senator HARDWICK. How many are there between \$50 and \$100 a quarter?

Mr. COLLINS. All of them except the 10,000.

Senator HARDWICK. That is \$32,000 out of 42,000?

Mr. COLLINS. Yes, sir.

Senator HARDWICK. Now, suppose we did that, and did something extra for these little fellows under that.

Mr. COLLINS. Now, I would just like to speak about that briefly. That is a war measure, I understand, and only applies to the length of the war. I understand that would be \$50 more, and be get 60 per cent of that next \$50, don't you see. That would give us \$20 more than we are really getting each quarter.

Senator HARDWICK. But I thought it would give you more than that.

Mr. COLLINS. It gives us \$20 more.

Senator HARDWICK. I thought it would give you more than \$20.

Mr. COLLINS. Understand, we get 100 per cent of the first \$50 and 60 per cent of the next \$100. Now, then, we get 60 per cent of that \$50 which you are going to allow us.

Senator HARDWICK. That would be 40 per cent more, then.

Senator SWANSON. As I understand it, the present law leaves it to the Postmaster General to establish or disestablish a fourth-class post office. Now, if you make the salary \$300 minimum, what provision do you make to prevent him from abolishing all these offices that are not profitable?

Mr. COLLINS. The Postmaster General?

Senator SWANSON. Yes.

Mr. COLLINS. I suppose that would have to be fixed by legislation.

Senator SWANSON. My idea is that if you pay them all \$300 he would begin to abolish a great many of them. The trouble I have is to keep them continued at present. With the Rural Delivery Service and Star Route Service and the city extensions there is a disposition to abolish the fourth-class post offices, and I spend a great deal of time in going to the Post Office Department to have them reestablished and stop the abolition of those post offices. If you make them \$300 as a minimum and do not have any discretion—or, rather, any provision preventing him from abolishing them—aren't you afraid that he will abolish about half of them so as to have a saving?

Mr. COLLINS. It seems to me that if the committee is afraid of that, if they could make a minimum they could fix it so he could not do that.

Senator HARDWICK. It is pretty difficult not to leave any flexibility in administration to the people running the department.

Senator SWANSON. You might make the salary provided he would continue the offices, but when you pay \$300 salary and the office only gets about \$50 receipts, I am afraid the Postmaster General will abolish so many offices that we would spend a good deal of our time trying to get them reestablished.

Mr. COLLINS. That is a point I had not thought of.

Senator SWANSON. We have been troubled with that all the time in this matter of fourth-class postmasters, because we left the discretion with the Postmaster General to establish them or disestablish them, and we have had a great deal of trouble in keeping the present number.

Senator TOWNSEND. Do you think these post offices are as desirable now that they are under civil service?

Senator SWANSON. I don't see any difference in Virginia, because we can all stand examinations down there. [Laughter.]

Senator WEEKS. What you mean, Senator, is that we can give relief to these fourth-class postmasters, and then the Postmaster General would relieve them.

Senator SWANSON. He would dispense with them. Now, you have got that to look at. You may get your bill through and then wake up here in about six months with over half of your postmasters gone.

Senator VARDAMAN. Don't you think that if we could give those postmasters the minimum salary of \$100 that they would feel very grateful for it?

Mr. COLLINS. Some of them would be very grateful to get the \$100, but it does seem rather unfair that a man should devote any time at all to a concern for \$100 a year.

Senator HARDWICK. Suppose we should do this: Suppose we could make this change about the \$100 per quarter, minimum cancellations, and then besides that give your people the same rate of increase as we give everybody else in the Government service—that is, 15 per cent or 20 per cent—just apply the same percentage and leave it like the House has got it? Just add to it whatever percentage generally all over the country we give the other Government employees—rural carriers, postal clerks, and everybody else. Would that be fair?

Mr. COLLINS. If I knew what per cent you were going to give others.

Senator HARDWICK. We don't know ourselves, but suppose it is 15 per cent. If we agreed on 15 per cent for the rural carriers and for the city carriers, and for the post-office clerks, why wouldn't that be fair for these people, too?

Mr. COLLINS. Well, it seems as though we ought to be satisfied with that. This is the first time that we have made any appeal, gentlemen.

Senator SWANSON. The great trouble we have had—and I have been on the Post Office Committee a long time—is the contention that is made continuously that a great many of these fourth-class post offices do not pay anything. They give them all the cancellations; then we pay the star-route service to carry the mail there under contract or by some system, and that it is a great loss to the Government; and the department has been disposed to abolish offices that are an expense to the Government. And my apprehension is that when you increase this too much and make the expense greater you are going to find the disestablishment of offices much greater. Now, I feel that the fourth-class postmasters have trouble now. I can see the difficulty, where the compensation is not what it used to be, but if you go too far you will soon have very few of them surviving, I am afraid.

Mr. COLLINS. But you are discriminating against residents of that territory, then.

Senator TOWNSEND. I want to ask a question there. What proportion of these fourth-class post offices, if you know, are off from a railroad track?

Mr. COLLINS. Well, now, that is a pretty hard question to answer. I would not attempt to give any accurate figures on that, although there are a great many of them.

Senator TOWNSEND. Now, such offices have to be served with a pouch or by rural delivery?

Mr. COLLINS. Yes, sir.

Senator TOWNSEND. In such a case as that, what great disadvantage could there be to a locality if a post office, if it was a small post office, an unremunerative post office, were abolished and they were served by rural delivery from another station?

Mr. COLLINS. Well, the only disadvantage that I could see for those people is that they wouldn't have the advantage of going to the post office after the mail. They would have to get it out of the mail box.

Senator TOWNSEND. I want to look at this right, because I have thought for years that fourth-class postmasters were not sufficiently compensated. But on the other hand, looking at it from the standpoint of the Government to some extent, where an office is served by closed pouch from another office, if those people in that community could be served just as well and at less expense by rural delivery, why isn't it our duty as representatives of the people to make that saving or permit that saving to be made?

Senator HARDWICK. It has been done, Senator, frequently.

Mr. COLLINS. Yes; I think it has in a great many places.

Senator TOWNSEND. I have recommended in my own State that that be done; that offices be abolished, because it seemed to me that the only person interested in that was the postmasters, and I did not think that we had any right to insist on a postmaster being retained if it was not for the best interests of the service. Now, I recognize that in most of these offices the post office is to the best interests of the community that you should have it, and I do not want those abolished, but I would not want to put any hard-and-fast rule here that would bind a man who was working for the people's interest to do a thing which he knew was not for the best interests of the people.

Mr. COLLINS. There is just one point where the disadvantage comes to those people in a community where the offices are discontinued. For instance, I have in mind the small community where the office was discontinued on account of rural service. That place has lost its identity. That has been 15 years ago, and there are very few people living 25 miles from there now that know where that place is. The merchants in the village have to have their letterheads dated from the other town 5 or 6 miles away. And while that is a thriving community of a couple of hundred people who live right around there, it has lost its identity.

Senator HARDWICK. It interferes with community spirit?

Mr. COLLINS. Yes.

Senator SWANSON. Yes; the little village of Swansonville, where I was born, has been abolished, and we get our mail at Witham now.

Senator TOWNSEND. Well, I don't believe we can afford to legislate purely out of sentiment.

Senator SWANSON. Now, Mr. Collins, I have thought of this a great deal. It seems to me that the only way we can fix up the basis of compensation for fourth-class postmasters would be to pay them something on what they receive and what they send out, too. Then they would be getting paid on the work done. But if you fix up a basis of pay such as you suggest, I am afraid there would be a great

many of them abolished. Now you send out about four or five times what you receive in one of the small post offices.

Mr. COLLINS. Well, you can easily put the mail in your pocket that you send out; and as a rule you get five or six times that much in.

Senator SWANSON. I mean you distribute four or five times more mail from these post offices for which you get no compensation; and the only thing you can do in order not to have them abolished is to fix some sort of compensation on both distribution and receipts. Had you ever figured out anything on that basis, of relief from that standpoint?

Mr. COLLINS. No; not exactly. Now that might work for those fellows in the smaller offices—the number of pieces handled in a given time.

Senator SWANSON. It is going to be very hard for the Postmaster General to pay \$300 to keep an office going when he only gets \$40 or \$50 from it, and then the star route and the estimate of what it costs on this service by rural delivery, and if you pursue what you say, I think you will wind up by having your offices abolished. That has been my experience.

Senator HARDWICK. The way to do is to increase them in just the same percentage as we increase other employees of the service, after we have this raise here.

Senator SWANSON. You have made no estimate as to the basis on receipts and distributions?

Mr. COLLINS. No, sir.

Senator SWANSON. And that would give relief to the postmaster to but a very small amount.

Senator HARDWICK. This would give them all the first hundred, but above that we can add a percentage in each case so as to make the per cent correspond with the increase to other employees.

The CHAIRMAN. We thank you very much, Mr. Collins. We will adjourn now until to-morrow at 2 o'clock p. m.

(Whereupon, at 4.10 o'clock p. m., the committee adjourned to meet at 2 o'clock p. m., Thursday, February 14, 1918.)

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POST OFFICE APPROPRIATION BILL, 1919.

THURSDAY, FEBRUARY 14, 1918.

UNITED STATES SENATE,
COMMITTEE ON POST OFFICES AND POST ROADS,
Washington, D. C.

The committee met, pursuant to adjournment, at 2 o'clock p. m. in the committee room, Capitol, Senator John H. Bankhead presiding.

Present: Senators C. A. Swanson, T. W. Hardwick, J. K. Vardaman, J. W. Weeks, C. E. Townsend, and J. I. France.

The CHAIRMAN. We will hear Mr. Edgerton. I notice here, Mr. Edgerton, that one of the estimates in this bill, for wrapping twine and tying devices, \$325,000—is it the purpose of the department to buy tying devices?

STATEMENT OF MR. A. J. EDGERTON, PURCHASING AGENT FOR THE POST OFFICE DEPARTMENT.

Mr. EDGERTON. The last time we advertised for tying devices the committee reported adversely to buying them.

Senator HARDWICK. That is the departmental committee?

Mr. EDGERTON. Yes, sir. They recommended that no further advertisements for tying devices be issued, and that was approved by the Postmaster General, so I presume they will not.

Senator HARDWICK. Yet your estimates called for that language?

Mr. EDGERTON. That is simply the language that has been in the estimate for years.

Senator HARDWICK. Now, when you advertised last for this service, your specifications called on people who were furnishing these tying devices to make bids for the service for the entire Postal Service?

Mr. EDGERTON. Yes, sir.

Senator HARDWICK. And bids were invited, in other words, from the tying-device people for the entire service?

Mr. EDGERTON. Yes, sir.

Senator HARDWICK. And bids were received?

Mr. EDGERTON. Bids were received.

Senator HARDWICK. For the entire service. Were those bids at a higher or lower figure than the bids that were accepted?

Mr. EDGERTON. The bids on the entire service, as I recall—the lowest bid was \$280,000—that is approximately.

Senator HARDWICK. You mean for the tying devices?

Mr. EDGERTON. Yes, sir.

Senator HARDWICK. \$268,000, I think it was.

Mr. EDGERTON. I think you will find it \$288,000, or something like that.

Senator HARDWICK. I may be in error, but my recollection is that it was \$268,000.

Mr. EDGERTON. The first award was made to the Jute Twine people at 17 cents and something per pound.

Senator HARDWICK. Now, how much annual expense does that involve in the department?

Mr. EDGERTON. Probably more than \$300,000.

Senator HARDWICK. More than \$350,000, isn't it?

Mr. EDGERTON. It depends on the amount ordered. Of course, we never know in advance the amount to order.

Senator HARDWICK. But you can estimate by the amounts you ordered in the past, plus the usual increase of business, can't you?

Mr. EDGERTON. We had an appropriation of \$275,000, and are asking for a deficiency.

Senator HARDWICK. How much deficiency did you ask for this year; \$50,000, wasn't it?

Mr. EDGERTON. I think it was. You will have to ask the Fourth Assistant Postmaster General in regard to that.

Senator HARDWICK. Now this year you have already asked for \$235,000?

Mr. EDGERTON. Yes.

Senator HARDWICK. These people offered to do it for \$268,000?

Mr. EDGERTON. \$288,000, or whatever it was.

Senator HARDWICK. I would like you, before you let your statement go into the record, verify those figures.

Mr. EDGERTON. Yes; I will do that. The bid of the Comfort-Bennor Tie Co. under the advertisement of May 19, 1917, for equipping the entire Postal Service for one year was \$288,000. Under the second advertisement, of July 16, 1917, there was no bid on the entire service, but a bid of \$14 per thousand, and \$250,000 for 20,000,000 devices.

Senator HARDWICK. Have you ever seen the reports of the postmasters that were submitted to this committee on the efficiency of these tying devices and their desirability?

Mr. EDGERTON. I have seen most of them. I am familiar with them.

Senator HARDWICK. Now, here is a list of post offices covering several—well, covering several typewritten pages reporting favorably on this device that you are using. That is correct, isn't it [presenting paper to witness]?

Mr. EDGERTON. That is correct as to the station service, I think. Most postmasters reported—at least they did not report adversely on the station service.

Senator HARDWICK. I don't put it that way. These postmasters—have you seen this list made by Senator Hoke Smith?

Mr. EDGERTON. Yes; I think I have.

Senator HARDWICK. That is a correct list, isn't it?

Mr. EDGERTON. So far as I know; yes.

Senator HARDWICK. Now this part of it is correct, too—these extracts that Senator Smith furnishes me as to what postmasters have said about this device?

Mr. EDGERTON (examining papers). Yes.

Senator HARDWICK. And it is also true that in submitting your specifications you asked these people to bid for the entire service?

Mr. EDGERTON. Yes, sir.

Senator HARDWICK. It is also true that they bid a figure a good many thousand dollars cheaper than the price you paid the Jute people?

Mr. EDGERTON. So far as initial outlay is concerned.

Senator HARDWICK. Didn't they in their bid undertake to supply the entire service for the entire year, and give bond to do that?

Mr. EDGERTON. Yes, sir.

Senator HARDWICK. So there is no need to say anything about the "initial outlay"?

Mr. EDGERTON. Well, there are other factors involved, however, such as taking care of the devices after they are in the service, which would require the labor of post-office employees.

Senator HARDWICK. That would not increase their compensation?

Mr. EDGERTON. No.

Senator HARDWICK. So, therefore, there would be no additional expense involved in that?

Mr. EDGERTON. No additional outlay to the contractor.

Senator HARDWICK. Well, he was to keep the thing repaired, wasn't he?

Mr. EDGERTON. Well, he was to supply the devices—he was to furnish new devices as we called for them.

Senator HARDWICK. Tell the committee, if you can, how it was that despite that fact you gave the contract to people who bid more money?

Mr. EDGERTON. The report of the committee of awards will show in detail the reasons why the bids were rejected. In a general way the report, as I remember it, stated that the devices were not suitable for the Railway Mail Service, and that the reuse of the twine could be as well brought about by simply using cord of a certain length without any device attached thereto. They further stated that there would be considerable labor necessary to preserve these devices and to untangle them and to carry them back and forth when empty; and, altogether, the cost would be greater to the department to use the devices than it would be not to use them.

Senator HARDWICK. That decision was rendered in spite of the fact that the device people offered to furnish the service at a smaller figure; in spite of the fact that the great bulk of the postmasters of the country reported in favor of it?

Mr. EDGERTON. I think you will find, Senator, if you examine the reports of the postmasters, that most of those reports referred to station service. Postmasters do not have directly to do with the Railway Mail Service.

Senator HARDWICK. I know that. I know there was some trouble in the Railway Mail Service, and I know what that trouble was. The railway mail clerks did not like to have to learn to use them. That was one difficulty. But the fact remains, in a general way, as I remember the transaction, that these people offered to furnish the service cheaper than you could get it this way; they offered to give bond to do it, and that the great overwhelming bulk of the postmasters of this country reported better service than you are getting from these Jute Twine people. Isn't that true?

Mr. EDGERTON. I would not put it as strongly as that. I would say they might have been in favor of it concerning the station service. I would not say they were in favor of the use of the device for the Railway Mail Service.

Senator HARDWICK. I did not say that. I am speaking of the postmasters.

Mr. EDGERTON. And that is the bulk of the twine which is used—by the Railway Mail Service.

Senator SWANSON. What is the proportion between Railway Mail Service and postmasters?

Mr. EDGERTON. Oh, I should say that we would not use more than 5,000,000 devices, perhaps, for the mere station service.

Senator SWANSON. What would the Railway Mail Service use?

Mr. EDGERTON. Well, we estimated 20,000,000 devices on the whole service.

Senator HARDWICK. What is the trouble with the Railway Mail Service using the devices?

Mr. EDGERTON. I think there are several difficulties in the way. The Railway Mail Service has never used the device extensively—that or any device—and always objected to it.

Senator HARDWICK. They objected to learning something new?

Mr. EDGERTON. They objected to the use of devices.

Senator SWANSON. Was this device of a character that it could not be used and repaired and kept in good order easily on a railway mail car?

Senator HARDWICK. You can furnish one of them, can't you?

Mr. EDGERTON. I can furnish one.

Senator HARDWICK. I wish you would send one up here, so that we can see it.

Mr. EDGERTON. I can also furnish a copy of the report of the committee.

Senator HARDWICK. I wish you would do that.

Mr. EDGERTON. Which, I think, would throw considerable light on this whole proposition.

Senator SWANSON. Let me finish my point now—well, go ahead, Senator Hardwick.

Senator HARDWICK. Now, up to the last year or two there has been competition between the cotton people and the jute people on furnishing twine to the department, has there not?

Mr. EDGERTON. About two years ago we made a contract for cotton twine. That was the only time that cotton has really been in competition with jute.

Senator HARDWICK. When the price of cotton is low there is always that possibility of competition, but with the price of cotton high, like it is now, competition is eliminated?

Mr. EDGERTON. Altogether eliminated.

Senator HARDWICK. Now, if you leave out these tying devices entirely, although the language of the bill does not propose to do that, you leave the jute people practically without competition?

Mr. EDGERTON. That is correct, so far as we can see now.

Senator HARDWICK. Well, is that the reason why you are retaining this language, so that the department can use these devices as competitors for the other if they raise their price too much?

Mr. EDGERTON. I did not prepare the estimate. The Fourth Assistant Postmaster General will have to answer that. But that has been one of the reasons, and that language has been in the appropriation bills for years.

Senator HARDWICK. Do you think that the tying-device people ought to be kept alive sufficiently to be used as a possible competitor against these other people, or not?

Mr. EDGERTON. I do not think it would be wise to invite them to bid over and over again at considerable expense to themselves, unless we intend to purchase these devices. I do not think that would be fair to the tying-device people. Personally, I have always favored competition on this item, and for that reason I have desired to have bids for tying devices, and to use them if it were possible.

Senator HARDWICK. Now, your estimate here is \$235,000 for this service during the fiscal year covered by this bill. Is it your opinion that the deficiency appropriation will be needed or not? I am anxious to get that because, as a member of the subcommittee that frames the deficiency, I want to know now whether you expect that.

Mr. EDGERTON. It depends entirely upon the prices we will have to pay after the present contract ends. At the present price, I should say that would be almost enough.

Senator HARDWICK. But not quite?

Mr. EDGERTON. Possibly not.

Senator HARDWICK. How much more—\$25,000 more?

Mr. EDGERTON. Yes; if we are compelled to pay present prices; 17.2 cents, I think, is the present price.

Senator HARDWICK. And it expires November 1?

Mr. EDGERTON. Yes.

Senator HARDWICK. That is all I have.

Senator VARDAMAN. Will you repeat what the binding twine costs the department?

Mr. EDGERTON. My recollection is 17.2 cents.

Senator VARDAMAN. I mean the total amount in dollars and cents.

Mr. EDGERTON. We made an estimate for the year; but the quantity varies from year to year. There are various amounts used.

Senator VARDAMAN. Well, what did you use last year?

Mr. EDGERTON. I would have to refer to the records.

Senator VARDAMAN. I thought you gave the amount.

Mr. EDGERTON. The amount estimated for the coming year is \$325,000.

Senator VARDAMAN. I thought you said that, and I just wanted to be certain about it.

Senator SWANSON. I was not in when you commenced your evidence. Have you explained this device, as to whether it could be reasonably and efficiently used on the Railway Mail Service or not?

Mr. EDGERTON. I will send the sample of the device to you.

Senator HARDWICK. I wish you would do that.

Mr. EDGERTON. It is simply a little hook on the end of a cord; and this hook is turned under the cord in such a manner as to secure it.

Senator HARDWICK. Could it be used by a postal railway clerk just as efficiently and without trouble as by the postmaster?

Mr. EDGERTON. It could be used by the Railway Mail Service clerk. It has been used.

Senator HARDWICK. There is no difference between why one should want it and the other should not, on account of any difference in the work they do?

Mr. EDGERTON. Except the railway mail clerks have to tie more rapidly and untie more rapidly perhaps, and they work under more difficult conditions.

Senator VARDAMAN. But with the use of this the cord is used several times?

Mr. EDGERTON. Exactly. That is the supposed economy in any tying device, that the cord is used and reused. The last committee reported in favor of a test of cord without a device. They said that all the economies incident to a tying device would be obtained through a cord without any device, and the device was really so much excess baggage and additional cost. That experiment, I think, has not been made yet, but I believe it is the intention of the department to experiment along that line in the future.

The CHAIRMAN. Wouldn't there be quite an economy in the use of binder twine as between the device and tying it with your hands? Wouldn't you tie with the device with much less length of cord than you would if you had to tie it with your hands?

Mr. EDGERTON. No; on the contrary, you have to make the cord on the devices one length, and, of course, packages of letters vary in size.

Senator HARDWICK. But by binding it and running the cord around once or twice more or less you would get the same result. How many of these devices have been used?

Mr. EDGERTON. We have used millions of these devices. We have used 4,000,000 of them.

Senator HARDWICK. You have used them in every branch of the service, haven't you?

Mr. EDGERTON. Chiefly in New England, but in all branches of the service to some extent.

Senator HARDWICK. Here is a report from postmasters in almost every State in the Union who have used them.

Senator VARDAMAN. The economy, I understand, is the saving of the twine, using it over and over again?

Mr. EDGERTON. Yes, sir.

Senator VARDAMAN. When tied with the ordinary knot, the cord is never used again, is it? That is, just cut off?

Mr. EDGERTON. Yes, sir. In the smaller post offices some of that twine is rewound into balls and used again, but it is not generally used.

Senator VARDAMAN. That is not the one where they have to use it hurriedly.

Senator WEEKS. I have been running in and out, and quite likely I did not get all of your testimony, but I understood you to say that a commission had been examining this matter and had decided that it was not advisable to purchase the cotton twine?

Mr. EDGERTON. No; to purchase tying devices.

Senator WEEKS. Oh, the tying devices. That has nothing to do with the use of cotton?

Mr. EDGERTON. Not at all. We ceased using cotton only because it grew so high in price that we could not buy it.

Senator WEEKS. Well, my understanding is that the bid for cotton is lower than the bid for hemp?

Senator HARDWICK. No; the bid for binding twine is lower.

Senator WEEKS. Well, the cotton is lower.

Senator HARDWICK. No; the cotton people did not bid this year.

Mr. EDGERTON. The lump bid for these devices was lower than the amount we will probably have to pay for jute twine; and the devices use cotton cord.

Senator WEEKS. Well, I was wondering why, if the employees had reported against it—or the commission had reported against the use of cotton twine—why you expected to keep them alive—the cotton twine manufacturers alive—and expect them to bid every year?

Mr. EDGERTON. Well, we do not; only I would substitute for cotton twine manufacturers, tying device manufacturers. But we do not propose to continue to advertise for these devices. The committee reported against any further advertisement for tying devices, and that report was approved.

Senator WEEKS. Was the committee made up of employees of the department?

Mr. EDGERTON. The committee, as I recall it, was made up of the postmaster at Boston, the postmaster at Washington, the general superintendent of the Railway Mail Service, the acting chief clerk of the Railway Mail Service, and the then superintendent of the mail-bag shop.

Senator SWANSON. Mr. Edgerton, I asked you to send me some information regarding contracts for stamped envelopes, newspaper wrappers, and also for other envelopes, to be furnished to the various departments. You send me a great deal of information here that you had furnished Mr. Moon of the House committee. Now, the contract you had with the middle West Supply Co. for stamped envelopes was for four years at a certain specific price, was it not?

Mr. EDGERTON. Yes, sir.

Senator SWANSON. Which ran from 1915 to 1919, wasn't it?

Mr. EDGERTON. Yes, sir; 1915 to 1919, the fiscal years.

Senator SWANSON. And, as I understand it, you reserved in that contract the right to have additional kinds of envelopes with the price to be fixed for those new kinds you had at so much per cost of material and labor, and so forth, on the same basis of percentage of profit that you had been furnished under the contract?

Mr. EDGERTON. The wording of that provision was that it should be fixed by mutual agreement.

Senator SWANSON. On that basis?

Mr. EDGERTON. But the Comptroller of the Treasury held that that meant it should be fixed at the same relative profits.

Senator SWANSON. The same relative profits. Now, you offered the contract with them, under the decision of the Comptroller of the Treasury that you had a right to do it. What did you do in reference to the envelopes that were being furnished of the same character as you agreed to for four years?

Mr. EDGERTON. They are not being ordered, but they are still under contract.

Senator SWANSON. You don't order any of that kind at all?

Mr. EDGERTON. No.

Senator SWANSON. Now, you took what is called a "window" envelope and what other kinds?

Mr. EDGERTON. The window envelope and what we call an "extra quality."

The CHAIRMAN. Extra quality of paper?

Mr. EDGERTON. Yes.

Senator SWANSON. The same kind of envelopes but with a superior quality of paper?

Mr. EDGERTON. The design was changed slightly to include what we called "high back" envelope—that is, a higher cut under the sealing flap.

Senator SWANSON. What basis of profit do those people get under that contract now?

Mr. EDGERTON. The basis of profit, compared with the cost at the time we added these additional designs and sizes, was the same that they got at the beginning of the contract on the original sizes and designs.

Senator SWANSON. With the cost of material and labor added?

Mr. EDGERTON. Yes. That was estimated by an auditing firm, I think, to be about 16 per cent gross or 10 per cent net.

Senator SWANSON. Sixteen per cent advance?

Mr. EDGERTON. It is more advance than that. I think it is an advance of nearly 40 per cent.

Senator SWANSON. Do you order any envelopes at all of the same kind that you had under this contract?

Mr. EDGERTON. No.

Senator SWANSON. What is the difference in the quality? When you have the same kind of envelope, what is the difference in the quality of paper?

Mr. EDGERTON. The paper is better. It has rag in it and has better folding quality and better finish, I think, than the paper had previously. That is on the bulk of the envelopes. Then we have an extra quality envelope, better than anything we have ever furnished.

Senator SWANSON. That is on the new contract?

Mr. EDGERTON. Yes.

Senator SWANSON. These other contracts you have for envelopes outside of the stamped envelope, on what you call "free envelopes"—those contracts did not have any paragraph referring to new styles?

Mr. EDGERTON. No; there was no similar clause in those contracts.

Senator SWANSON. Well, I notice in this letter you sent Mr. Moon, one reason you urged was that they were sustaining a loss on the envelopes that were being furnished, and the fact that they were about to go into the hands of a receiver, and that great losses were being sustained. Did the same conditions exist with the other people you have contracts with in connection with furnishing envelopes?

Mr. EDGERTON. Substantially the same condition as to losses.

Senator SWANSON. Well, now, what is your idea as to the justice of extending any relief to these people that you had contracts with for the furnishing of envelopes?

Mr. EDGERTON. Well, I should be very glad if there were legislation that would enable us to do it, at least to extend temporary relief, with the approval of the Postmaster General. That is my own feeling about it.

Senator SWANSON. What is the condition surrounding these contracts?

Mr. EDGERTON. The contracts were made about the second—no, the first year of the war, I think in 1915, when paper was very low. Paper has since advanced in some cases 100 per cent. Labor has advanced, I should say offhand, 50 to 60 per cent—that is, wages. Other materials have advanced in like degree. Because of the war the orders on some of these sizes of envelopes have increased very greatly. I think the estimates on a number of items have already been exceeded 50 per cent and in some cases 100 per cent on the amounts ordered. At the time these contracts were made we had an estimate from each department of the Government as to the probable requirements of that department on this particular item.

Senator SWANSON. You made an estimate as to what you thought the Government would need of that particular envelope?

Mr. EDGERTON. Exactly.

Senator VARDAMAN. Just in that connection, the contract embraced a period, you say, of four years?

Mr. EDGERTON. Four years, yes. The contract covers the requirement of the Government during that time; not only of the departments and independent establishments of the Government then in existence, but any new ones that may be added during the contract term.

Senator SWANSON. For instance, the War Department has increased considerably, and you furnish envelopes for the War Department for all this mail that goes free?

Mr. EDGERTON. All Government envelopes ordered are ordered from this contract.

Senator SWANSON. Do you furnish for all these new departments that have been created, too?

Mr. EDGERTON. Yes.

Senator SWANSON. And the amount to be furnished has increased from 50 to 100 per cent of what was estimated?

Mr. EDGERTON. Generally speaking, I think that is true—at least on the principal items.

Senator SWANSON. Now, are those contractors losing money, you think, on their contracts?

Mr. EDGERTON. They say they are, and I have no doubt they are.

Senator VARDAMAN. They are evidently losing, unless the contract was very loosely let.

Senator SWANSON. The suggestion you would make for relief would be to give the Postmaster General authority to administer equity and justice in these cases?

Mr. EDGERTON. Yes, sir.

Senator SWANSON. Give him discretion to settle with them on a fair and reasonable basis?

Mr. EDGERTON. To extend temporary relief without giving them a profit; but simply make it possible for them to live. I think that would be good business on the part of the department and on the part of the Government.

Senator HARDWICK. In other words, you think it would be a good idea to permit the Postmaster General temporarily to make such modifications in the contract price as he thinks necessary?

Mr. EDGERTON. As he thinks necessary for the interests of the Government.

Senator HARDWICK. Of course if we were to break one of these contracts, we would have to pay a much higher price, I would suppose.

Senator SWANSON. There are some of them who live in my State that are willing to furnish the Government with the amount estimated and take a loss; that the Government has doubled and trebled and quadrupled the amount, and consequently they think it is a very unjust thing to insist on it when there wasn't anything of the kind anticipated.

Senator HARDWICK. You think the Postmaster General should have some authority to revise the contracts temporarily whenever in his judgment he thinks necessary?

Mr. EDGERTON. Yes, sir.

Senator SWANSON. You think it would be a good idea to give him that authority, because some of these contractors might throw up their contract and take a loss?

Mr. EDGERTON. I don't want to be placed in the attitude of recommending such legislation. I only say that if the Congress sees fit to enact such legislation, I would be very glad to recommend to the Postmaster General that he extend temporary relief to these contractors.

Senator HARDWICK. We would put it up to the Postmaster General to make terms so that they could render justice.

Mr. EDGERTON. In this connection might I say, one of these contractors notified us recently that on all items on which they had exceeded the estimate of 50 per cent or more they would refuse to fill orders. I put the case before the Comptroller of the Treasury and it is now pending.

Senator HARDWICK. They haven't got much ground to stand on, have they?

Mr. EDGERTON. I notified the departments to continue drawing orders on them as before.

Senator HARDWICK. They wouldn't be able to get out in any court on that question. It is just simply a question of relief. A contract to supply the Government means whatever it says. The Government officials may have guessed wrong on what the needs were, but that doesn't alter the fact that they are bound by the contract.

Senator VARDAMAN. Do you recommend that the Postmaster General be given authority to cancel these contracts and relet them for a period of time or to give him discretion in paying a little bit more in order to do justice?

Mr. EDGERTON. Of course, the cost to the Government would be less if he were given discretion to modify them temporarily. If we cancel the contracts and relet them, we would pay a good deal more.

Senator SWANSON. You think he should be given authority to do that temporarily?

Mr. EDGERTON. Yes; I think that would be the most equitable way.

Senator SWANSON. I have nothing else.

The CHAIRMAN. Mr. Chance is present, and the committee would like to hear from him. Will you take the stand, Mr. Chance?

STATEMENT OF MR. M. O. CHANCE, POSTMASTER OF WASHINGTON, D. C.

Senator SWANSON. Mr. Chance, we had before us yesterday or the day before yesterday evidence showing that rural routes were being abolished and star routes under advertisement substituted in their place; and we have had before us a notice issued by you as postmaster here in Washington calling for bids on those routes. We were not able to find the law under which this was being done, or to what extent it was contemplated to be done, and the committee desired to hear from you in reference to this notice that you have posted—the character of the rural routes that you are contemplating abolishing and substituting star routes for, and under whose instructions and direction was this done?

Mr. CHANCE (examining copy of notice). I don't know the law in regard to this. Of course this was issued by direction of the Fourth Assistant Postmaster General, who has charge of those rural routes and star routes. That is all I know about it.

Senator HARDWICK. In other words, he sent you instructions down there to advertise that?

Mr. CHANCE. Yes. I don't remember this in particular.

Senator HARDWICK. That would be true, however?

Mr. CHANCE. That is the way it is always done.

Senator SWANSON. Did you make a report to him regarding those routes and the character of them? Did you make any suggestions to him regarding them?

Mr. CHANCE. Well, I don't know. Does that say what route it is?

Senator WEEKS. Rural routes 1, 8, and 9; routes 8 and 9, formerly route B from Anacostia Station.

Mr. CHANCE. Well, I made reports from time to time to the fourth assistant in regard to those routes. I don't know whether they covered any recommendation or any request.

Senator SWANSON. Is the fourth assistant accustomed to giving instructions directly to the postmaster about eliminating rural routes and substituting star routes, except with a report from the postmaster regarding them?

Mr. CHANCE. Well, I have received such instructions; yes; without any recommendation.

Senator SWANSON. Have you any instructions to abolish further rural delivery routes emanating from Washington and substitute star routes for them?

Mr. CHANCE. Not at the present time, that I know of.

Senator SWANSON. You don't have any order pending to do that further?

Mr. CHANCE. No; I only have eight, I think, rural routes now. I had nine before this change was made substituting star routes—substituting this star route service for two routes, so I have eight or nine routes now only out of my office.

Senator SWANSON. While those were regular rural delivery routes under the law, was there any difficulty in the delivery of mail and the performance of the service?

Mr. CHANCE. There was; yes, sir.

Senator SWANSON. What was the nature of the trouble?

Mr. CHANCE. Well, the trouble was that the men on those routes could not cover the ground in winter weather with their automobiles.

Senator HARDWICK. That was one of these new automobile routes?

Mr. CHANCE. It was an automobile route. I don't know whether it was new or not.

Senator HARDWICK. Established two or three years ago?

Mr. CHANCE. Yes.

Senator SWANSON. Could you go back to the rural delivery routes as they were prior to the substitution of the automobile routes and get the service as good as you could under the contract?

Mr. CHANCE. I understand that we didn't know we had any rural routes over there before we took the horses and wagons off. We never had any trouble with them at all.

Senator SWANSON. Well, it is in evidence here that you are paying \$1,200 for one of those routes, and that you have now let it by contract—or tried to let it by contract—for \$1,500, which would be a loss of \$300 on that route to the Government. Now, will you explain to the committee the reason for that, if that is true?

Mr. CHANCE. Well, now, as I remember this, we were to establish—this might be wrong, but the fourth assistant can correct me if it is; he is here—we were to establish—or the fourth assistant was—a star route to take the place of the two rural routes. This is as I remember it.

Mr. BLAKSLEE (Fourth Assistant Postmaster General). That part is not correct, Mr. Chance. The first statement you make is not correct. The star route was to replace a rural route that was not in operation, and you could not get any man for it.

Mr. CHANCE. It was a route, though. It was not in operation because we could not get any man that could run over the route with an automobile.

Mr. BLAKSLEE. Well, if you could not get a man to run over it, how was it a route?

Mr. CHANCE. It was a route that you established, and we have got temporary service on four of those routes out there now—four of those eight routes that we can not get men to run on.

Senator SWANSON. We had evidence before us to the effect that there was a rural delivery route—with the name of the carrier—receiving \$1,200 for a specific route, designated by miles, places to deliver the mail, and individuals, and that an advertisement appeared in your office for this route to be let by contract, making it a star route; and this party, desirous of bidding on the star route, was also willing to continue it as a rural route, and was supposed to resign from that rural route, and did enter a bid, I think, of \$1,750 or \$1,800 for the star route, which was rejected. Then he was offered \$1,500 if he would do the work on this star route. Now, did any such fact as that exist?

Mr. CHANCE. Well, as I remember it, there were two \$1,500 temporary routes. They are out there now, and they are getting paid at the rate of \$1,500 apiece and that takes the place of the \$1,800 route, as I remember it. These two \$1,500 routes take the place of that \$1,800 route.

Senator WEEKS. Mr. Chairman, if we are going to have testimony on this subject, don't you think Mr. Chance had better look up the matter?

The CHAIRMAN. Mr. Chance, when you understood to abolish that rural route that had been established there your purpose was to consolidate two routes into one automobile route?

Mr. CHANCE. That was the purpose of the fourth assistant, I take it. It was not my purpose.

The CHAIRMAN. Well, I don't know who did it. Now, this carrier that was on this rural route was getting \$1,200. He was perfectly willing to continue that service, as I understand it, and I never heard that there was any complaint as to the service you received.

Mr. CHANCE. What was that carrier's name?

Mr. BLAKSLEE. He was under charges and had resigned, and his resignation was not accepted.

Mr. CHANCE. If that is the carrier, he was to be removed.

The CHAIRMAN. He was under charges, but didn't he get the contract?

Mr. CHANCE. Afterwards. He didn't get the contract then. That was some time ago. Afterwards that man, if it is the one I am thinking about, was reinstated, because we couldn't get anybody else to run the route. Then he resigned to bid on this other.

Senator SWANSON. Have you had any trouble with the rural delivery routes getting carriers until you made it an automobile route?

Mr. CHANCE. Well, that was before my time. I don't understand that there was any trouble.

Senator SWANSON. Will you read the evidence that was put in here yesterday or day before, and then be prepared to furnish us the data in reference to it?

Mr. CHANCE. Yes.

Senator VARDAMAN. I suggest, Mr. Chairman, that the Fourth Assistant Postmaster General is present, and he can answer all of those questions.

Mr. CHANCE. I am just carrying out orders from the department on these things.

The CHAIRMAN. Then I think Mr. Chance might stand aside, and we will let Mr. Blakslee take the stand.

STATEMENT OF HON. JAMES I. BLAKSLEE, FOURTH ASSISTANT POSTMASTER GENERAL.

Mr. BLAKSLEE. Mr. Chairman, it is true, as stated by Mr. Chance, that there are nine routes out of this office. The postmaster at Washington advised us that on two of these routes there was no service, and that on the other seven he had to put temporary carriers and that these temporary carriers wanted to quit, or did not want to continue their employment as temporary carriers, and they had other excuses for abandoning the service. We called upon the Civil Service Commission, as required by law, for certification of eligibles, and no applicants appeared for examination. Consequently there was only one thing to do, and that was to abandon the service.

Senator HARDWICK. Why didn't you have another examination?

Mr. BLAKSLEE. We held an examination for eligibles, and there were no applicants.

Senator SWANSON. Did you advertise the examination?

Mr. BLAKSLEE. Yes; and through the regular channels, through the Civil Service Commission, as soon as the vacancy occurred.

Senator HARDWICK. And you were not able to get any applicants?

Mr. BLAKSLEE. No.

Senator HARDWICK. Now, what about this man up here telling us he was a rural carrier and wanted to keep his job?

Mr. BLAKSLEE. That is correct; he was a temporary carrier, employed by the postmaster to fill a vacancy of the regular carrier, who had resigned, quit the service; and this man, the temporary carrier, being guilty of delinquencies that warranted his removal, and under charges, resigned. Now, understand, we continued him, nevertheless, regardless of the delinquencies and regardless of his resignation, in order to perform the service. In the meantime, not having any other refuge from the conditions as before stated, we thought possibly we might be able to get a contract for the type of service which had been abandoned. The law stipulates that no part of this appropriation—star-route appropriation—shall be expended upon any service the patronage of which is entirely served by a rural route.

Senator HARDWICK. For the continuation of any star-route service the patronage of which is served entirely by the extension of Rural Delivery Service; nor shall any of said sum be expended for the establishment of new star-route service for patrons who are entirely served by Rural Delivery Service.

Mr. BLAKSLEE. That is it exactly. Now, the patronage was not being served; we could not keep the rural route in operation, and we thought we might be able to secure a bid for a star route.

Senator SWANSON. As I understand it, the situation was that you could not get a rural carrier for \$1,200?

Mr. BLAKSLEE. That is it exactly.

Senator SWANSON. They refused to stand the examination under civil service?

Mr. BLAKSLEE. Exactly.

Senator SWANSON. You were unable to get a rural carrier, and the only thing left you under the law was to consider that route as abolished as a rural-delivery route, and then see if you could not get a man to do the work as a star route for \$1,500 or \$1,600, or whatever it could be done for?

Mr. BLAKSLEE. Exactly.

Senator SWANSON. That situation existed in this case?

Mr. BLAKSLEE. In every case, Senator Swanson, but in one. On rural-delivery route No. 1, where this temporary carrier was on, we were mistaken. The route was being served. The route did have a man on it—this temporary man who was delinquent, under charges, and was to be removed—and we advertised that route with the others in error. We acknowledge our mistake.

The CHAIRMAN. You made a mistake in that one?

Mr. BLAKSLEE. Yes.

Senator HARDWICK. And when you found out the mistake you corrected it?

Mr. BLAKSLEE. We did not make the award.

Senator SWANSON. There is no intention of the Fourth Assistant Postmaster General's Office to start this as a preliminary to thwart the will of Congress in connection with Rural Delivery Service?

Mr. BLAKSLEE. Certainly not. We are just trying our best to find some character of service.

Senator SWANSON. And in some of these places where you can not get people for \$1,200 you are compelled to pursue that course?

Mr. BLAKSLEE. Absolutely.

Senator SWANSON. And frequently you give them the same service as rural delivery, but you prefer to get it at \$1,200?

Mr. BLAKSLEE. Absolutely; whenever we can.

Senator HARDWICK. Now, I want to call your attention to two more cases on this precise question.

At Camilla, Ga., in my State, representations are made to me that you are pursuing that course with reference to one of these automobile routes. If you do not know the facts about this case, you can look it up and put it in your testimony.

Mr. BLAKSLEE. I did not come prepared on that.

Senator HARDWICK. That you have combined three of these routes into an automobile route, and that now that service has broken down, under stress of weather, and you are advertising for star-route service?

Mr. BLAKSLEE. It may be possible. I am not familiar with that.

Senator HARDWICK. What I want to call your attention to was the fact that the legislation that we have passed in 1906 expressly forbade that, and that it is your business to reestablish these rural routes if these other things would not work, and I thought that was to be the policy of the department.

Mr. BLAKSLEE. Yes; it is.

Senator HARDWICK. That is just the representation made to me. I do not know anything more about it than that.

Mr. BLAKSLEE. Well, I am not familiar with the case.

Senator SWANSON. As I understand it, when you substitute the automobile service for the rural-delivery service, and afterwards it proves to be not advisable, when you recur to the service you reinstate the rural service that existed prior?

Mr. BLAKSLEE. That is correct.

Senator SWANSON. As I understand it, that is the law and that is the purpose of the department?

Mr. BLAKSLEE. That is the policy and the purpose.

Senator SWANSON. That is the policy and the custom?

Mr. BLAKSLEE. Yes.

Senator HARDWICK. That is the reason I want to direct attention, if I can, to the Camilla, Ga., case, also a case from California, which I will give you a memorandum of. This is from Wood Lake, Tulare County, Cal. This representation is made to me about it. I can not vouch for its accuracy, except that I know the gentleman who furnished it to me believes it to be accurate. This states that the regular rural route is advertised to be let by contract—that is, star route—that the patrons of that rural route protested, and finally 200 patrons signed an agreement—I think they sent it to the department—to employ a private carrier to handle their mail, and they refused to let the contract to handle it at all.

MR. BLAKSLEE. I don't remember the case, but I have been thinking of it since I heard the details on it.

Senator SWANSON. They could not under the law employ a private contractor to do the work. The only thing they could do would be to let him appear for civil-service examination and qualify himself.

MR. BLAKSLEE. I am wondering if that is not the case where the petition was in our possession from California somewhere for the establishment of a rural route, and another petition appeared in the immediate vicinity for the establishment of another rural route, where we combined the two and let the bid for performing the service by contract rather than by the rural-delivery system. (Later survey of records indicates this is the fact. There was no rural route in operation. Therefore no expenditure for service to a patronage entirely served by rural routes.)

Senator SWANSON. That would have to be star-route service done by private contract.

Senator HARDWICK. No; this is just a way that they took for protesting that.

MR. BLAKSLEE. I can give you our position on that.

Senator HARDWICK. I would be glad to have you furnish it.

MR. BLAKSLEE. We are handicapped a little in this way, Senator, if I may explain about this difficulty in Washington, and it applies elsewhere in the country. The Civil Service Commission is compelled to hold examinations for eligibles of all applicants within a certain county. The net result is that here in Washington everybody is employed, and employed at a great deal more compensation than they get for carrying the mail, and consequently no applicants from within the District of Columbia appeared. We then thought that possibly out in Virginia or out in Maryland there might be some individual who would perform this service at \$1,200 per annum, and this contract would permit all such individuals to put in a proposal for furnishing the service, they not being eligible under the law to become a rural carrier in the District of Columbia. Now, we have that same condition applying in hundreds of counties throughout the country. Around Pittsburgh, Pa., for instance, the same thing prevails. The possible eligibles are making too much money in other employment.

Senator VARDAMAN. Do you have any trouble in finding a man in Virginia who would not take public office? [Laughter.]

MR. BLAKSLEE. There wasn't anybody bid on these routes.

Senator SWANSON. These Virginians fill the offices well.

MR. BLAKSLEE. They do that. [Laughter.]

Senator HARDWICK. Now, if you have got through with that subject, there is one other matter I want to ask you about. You remember that in 1916 we passed a provision here that was made elastic because we did not want to embarrass the department or the administration—flexible enough to let you do what was right—about this closed-pouch service. Have you spent anything at all under that?

MR. BLAKSLEE. Yes, some.

Senator HARDWICK. How much?

MR. GEORGE L. WOOD (superintendent of rural mails). Senator, I suppose between 75 and 100 allowances to carriers have been made.

Senator HARDWICK. About how many claims have there been, Mr. Wood?

Mr. WOOD. I should think there were maybe three or four hundred claims all told. About 75 or 100 allowances have been made, and possibly 100 cases in the field are now being investigated by inspectors.

Senator HARDWICK. In other words, you tried really to carry out the law in cases where you think the carrier has extra work put on him, and requires extra equipment??

Mr. WOOD. Absolutely. Some of the claims, however, have been ludicrous, where they were carrying a pouch weighing 3 or 4 pounds. There was nothing to that.

Senator SWANSON. You tried to approximate it, as I understand it? For instance, if he carries a great deal of rural-delivery mail and then has these pouches put on him, it is a case where he is clearly entitled to compensate; but, if he has a very small rural-delivery mail, and it is the question of whether you should continue the service or not, and he carries a few pounds additional, you do not feel like he ought to be compensated for that pouch service?

Mr. WOOD. No.

Mr. BLAKSLEE. You had this mistake in it, Senator. You called it "closed pouch" mail. Many of these carriers carry the mail for an additional carrier, and some as high as four or five additional carriers; but they carry it in a mail sack, a tie sack, and not closed pouch.

Senator HARDWICK. That is what he meant.

Mr. WOOD. But in making the allowance we did not take that into consideration. If they carried mail, we did not make any distinction between closed pouch and a tie sack. Mail was mail with us.

Senator SWANSON. I understand you sent an inspector there to examine these cases and ascertain whether they were entitled to it or not, and you have been disposed to carry out the wish of Congress?

Mr. WOOD. We are carrying it out right along. The law says, of course, that the work of the carrier or the expense of his equipment is to be materially increased.

Senator HARDWICK. Well, that was the idea, that if you put extra work on him that amounted to anything, so that he had to buy extra equipment, you had to allow him something for it.

Mr. WOOD. Yes.

The CHAIRMAN. Mr. Blakslee, I would like to have an expression from you as to whether or not, in your opinion, there ought to be some relief extended to these star-route contractors that made contracts several years ago.

Mr. BLAKSLEE. Absolutely. It is different than it is with any supply contractor. We have a contractor who makes a contract for a given type of supplies, whether for one year or for four years, and he usually is business man enough to lay in all the stock of raw material sufficient to meet the contract requirements during the term thereof at the time he makes the contract. When he does not it is his fault. But when it comes to a question of service such as performed by star contractors, they can not presume to cover the character of the service that they will be called upon to perform under the conditions such as obtain to-day. The contractor can not in his own mind settle the question of cost of produce, hay, feed, etc., that he will have to pay in the two years next following the date of his

contract under war conditions, and undoubtedly at this time there are some contractors who are suffering because of the unusual and abnormal conditions.

Senator HARDWICK. Now, take that case covered by Senator Reed's bill the other day.

Mr. BLAKSLEE. That was a very meritorious bill.

Mr. WOOD. I was about to say that the Postmaster General has made a report on that bill recommending its enactment.

Senator HARDWICK. It gives the Postmaster General authority to do that in these cases when in his judgment it ought to be done.

Mr. BLAKSLEE. Under the abnormal conditions prevailing to-day we ought to do that.

Mr. WOOD. You have got something of the kind in this bill, but we think it should be amended.

Senator HARDWICK. Make such changes in pencil there as you think ought to be made.

Mr. WOOD. We are for this bill—for Senator Reed's bill—as it stands.

Senator HARDWICK. Let me call your attention to it for the purpose of getting it in the record—to this bill [reading]:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That whenever the Postmaster General shall find as a fact that any star-route contract or screen-wagon contract was entered into prior to the entrance of the United States into the war with Germany and that the prices agreed to be paid in said contract are at the present time inequitable and unjust by reason of the increase in the cost of materials and labor employed in the performance of such contract, the Postmaster General is authorized, in his discretion, with the consent of the contractor and his bondsman, to cancel the same or to readjust the terms of said contract in such manner as to relieve the contractor from the hardships being by him suffered on account of such increased costs and expenses.

Now, that is general. That is a general bill.

Senator SWANSON. That did not pass the House, did it?

Senator HARDWICK. No; this is a Senate bill, introduced by Senator Reed.

The CHAIRMAN. He introduced two bills.

Senator HARDWICK. Yes; general and special; but everyone of us has got constituents that have got fully as meritorious cases as he has; and if it is right in one case it is right in every similar case in the country.

The CHAIRMAN. No doubt there are a great many cases where they are entitled to relief.

Senator HARDWICK. And others may not be. Where they are getting enough already, he may turn them down.

Senator WEEKS. Did that bill say during the present emergency?

Senator TOWNSEND. I don't see what is the use of canceling the contract. I think giving him the power to alter the contract and relieve conditions is sufficient. Now, here is a man who takes a contract for advertising. Then conditions change, and he comes up and wants to change it. Now if, in the opinion of the Postmaster General, conditions have arisen since to make that unjust he should have authority to change it and make it equitable for the contractor.

Mr. WOOD. The bill gives him power to cancel or to readjust—this bill I am talking about here.

Senator SWANSON. You are satisfied that there is merit in having that relief extended at this time to these star-route contractors?

Mr. BLAKSLEE. Yes, sir.

Senator SWANSON. It would be very unjust for the Government to insist on the quick performance of these contracts under changed conditions.

Mr. BLAKSLEE. We will insist just as long as the law is there, but it is unjust, absolutely.

Senator SWANSON. Don't you think it would be equitable for the Government to do that?

Mr. BLAKSLEE. Yes, sir.

Senator HARDWICK. I don't think contracts should be canceled, but simply such relief should be given as the Postmaster General deemed sufficient.

Senator VARDAMAN. I think all such provisions should be limited to this emergency.

Mr. WOOD. This bill, though, does provide for that. It provides for the cancellation or adjustment of contracts entered into before the entrance of the United States into the war with Germany.

Senator SWANSON. Have you considered what would be a fair increase of compensation to the rural carriers under existing conditions, considering the increased cost of living, the expense of their equipment, etc.?

Mr. BLAKSLEE. Senator, it has been a burning question for four years. I think I ought to have considered it.

Senator SWANSON. What would you think would be a fair increase for rural carriers, considering the Government and considering the increases in pay to other employees?

Mr. BLAKSLEE. I am on record so thoroughly and consistently on that thing all the time, that I think the carriers should be paid in proportion to the work they do and the hours of service they render, Senator, and for a percentage of increase over the present compensation I think it would be fine. Understand me, I mean that they should get an increase, but to make it a flat percentage increase is neither equitable nor just.

Senator SWANSON. Have you fixed on the fair rate of increase by the length of route and the time, and the increased cost of living?

Mr. BLAKSLEE. That has been taken into consideration.

Senator SWANSON. Why couldn't there be a flat increase for them like there could for other employees if the basis is fairly fixed now?

Mr. BLAKSLEE. The basis is not fairly fixed now. That is the reason. And when you provide a flat increase you give the increase to the man who is now being paid pretty nearly as much as he ought to; but the man who is not being paid what he ought to be paid now does not get a square deal. That is the thing I look at.

Senator SWANSON. What class do you mean?

Mr. BLAKSLEE. The man who operates a rural route 16 or 18 miles long—and you will find many of them in Senator Weeks's district—who work 8 hours a day and carry 35,000 pieces of mail and get \$700; and you give him 10 per cent on that and he gets \$70. That don't give such a man a fair day's pay. That is the man that I have been following the committee for for four years.

Senator HARDWICK. If you fix it on a percentage of increase, how would you do—make the percentage higher on the smaller route?

Mr. BLAKSLEE. Undoubtedly, for the shorter route. I would go into that question, though, Senator, of the hours of service rendered and the amount of work performed, because up there where the hours of service are eight or more a day, and a man carries thirty or thirty-five thousand pieces of mail, why should he be limited to 10 per cent increase when the fellow that drives 26 miles a day and gets over it in three hours and carries only 2,000 pieces of mail gets \$1,200 for it?

Senator SWANSON. I understand your contention is that where the population is thick and the delivery has got to be frequent, they can not travel as much mileage as they can where the population is sparse, and they don't have to stop much?

Mr. BLAKSLEE. That is exactly true.

Senator SWANSON. Do I understand that where these routes run 26 miles and 36 miles, there is sparse delivery?

Mr. BLAKSLEE. In many cases there is sparse delivery.

Senator SWANSON. What is the average of those kind of deliveries?

Mr. BLAKSLEE. Why, Senator, there are three routes in Tennessee where the carrier takes seven hours and a half on one route to cover it; five hours and ten minutes on another, and four hours on another. The carrier gets \$100 a month and he carries \$6 worth of mail and \$9 worth of mail. The total postage of all the mail that he carries is \$6 a month. Now, that carrier doesn't carry a sufficient quantity of mail to warrant an increase in salary. But here is a carrier in Senator Weeks's district who will carry \$600 worth of mail in a month and covers but 18 miles of road.

Senator WEEKS. Isn't that largely due to the fact that that route covers a section where there was a small village, or a village, and the post office has been abolished so that he serves the village?

Mr. BLAKSLEE. True, but his salary is only \$800 a year.

Senator WEEKS. I understand, but that is the condition, isn't it?

Mr. BLAKSLEE. Yes; we do not argue what the reasons are that he has to take this time and this money. What we say is that the money is not enough.

Senator SWANSON. But don't the same conditions exist in regard to star routes? There are some star routes out west that don't pay at all, and you pay thousands of dollars there with a big loss, because the country needs the mail service, and you want to develop it. And don't the same conditions exist about rural delivery?

Mr. BLAKSLEE. There is no parallel, Senator, between star-route service and Rural-Delivery Service.

Senator SWANSON. Very frequently a star-route service is operated at a loss to the Government because there is very little mail carried.

Mr. BLAKSLEE. Unquestionably.

Senator SWANSON. And consequently you base the star-route compensation on the distance and the time it takes, and the difficulty that he has.

Mr. BLAKSLEE. He does that himself.

Mr. SWANSON. Now, when the Government decides to give a star route in certain places, they do it because they decide that the country needs it and that the people are entitled to mail facilities. Now, when you decide that you can not give a man rural delivery at

his farm, you can not base all of them on the amount of mail they carry.

Mr. BLAKSLEE. Unquestionably not. But we base the amount of work the man performs upon the amount of mail he carries. You take a man that has got 30,000 pieces of mail a month; that is over 1,200 pieces a day; he has got to know how to route that mail. He has got to be a good man.

The CHAIRMAN. How many routes have you got like that?

Mr. BLAKSLEE. Well, there are thousands of them.

The CHAIRMAN. That carry that much mail?

Mr. BLAKSLEE. I should say two or three thousand.

Senator SWANSON. I understand from you that there are a great many routes where they run 16 miles through a thickly populated section of the country; that they work more on that 16-mile route than they do on a 26-mile route.

Mr. BLAKSLEE. There are quite a number.

Senator TOWNSEND. Let me ask you, Mr. Blakslee, suppose you have two routes that are approximately the same length. On one they handle twice as much mail as the other. It takes the same rig, the same amount of time, the same expense to carry one as it does the other, does it not?

Mr. BLAKSLEE. Yes.

Senator TOWNSEND. Well, why shouldn't they be treated alike, if they pass the same examinations and have the same qualifications?

Mr. BLAKSLEE. Under those conditions they ought to be.

Senator VARDAMAN. Your contention is, General Blakslee, that the man on the route that you have just mentioned—in Senator Weeks's district—is not paid a sufficient salary for the work he does?

Mr. BLAKSLEE. Absolutely; and there is no way on the mileage basis that you can pay him a fair day's pay for a fair day's work. You have got to consider the number of hours he is on duty; you have got to consider that his horse has got to be on duty just as long as the man on the 24-mile route—just as long as his horse has got to be on duty. He has got to be there ready to go, and he doesn't get the money he is entitled to.

Senator SWANSON. How many routes, do you think, of 24 miles and in excess of 24 miles are there where the work they do is less hours than what they do on a 16-mile route yet the pay is far in excess of what they get on the 16-mile route?

Mr. BLAKSLEE. I wouldn't be able to tell you, Senator, without going into statistics on that.

Senator SWANSON. Unless there are a great many cases and it is general to some extent, we can not legislate for special individual cases. That discretion is left to the department.

Mr. BLAKSLEE. No; it is not. That is a restriction in the legislation that does not permit the department to make any distinction as to the miles the carrier covers, and that is the inaccuracy of the thing.

Senator HARDWICK. What would you base it on? You wouldn't base it entirely on the mileage, would you?

Mr. BLAKSLEE. No; the quantity of mail he transports, and that naturally indicates the amount of work that he does.

Senator HARDWICK. Not necessarily, because a man might go over a rough mountainous district and travel many miles and serve a sparsely settled neighborhood and take all day for it, but the quantity of mail might be a very small factor.

Mr. BLAKSLEE. The time also is governed very largely by that very factor you are bringing up.

Senator HARDWICK. That and the distance?

Mr. BLAKSLEE. Certainly, the distance he covers and the topography of the country. It takes time to cover a hilly, mountainous country. It takes more time than it does on a level road; therefore, time is a factor. The quantity of mail, time and mileage are the factors. There is no question about that.

Senator HARDWICK. In other words, instead of having a single distance standard, you make a standard of distance and time and quantity of mail?

Mr. BLAKSLEE. Yes; I would consider the three items, and if I made an increase I would use the mileage basis such as you have got to-day as a basis from which I would raise the increase; and I would make those increases on the quantity of work they did, the number of hours they performed, or something of that nature, a factor of that nature.

Senator HARDWICK. Now, we can not do that very well unless we readjust the whole system.

Senator TOWNSEND. He could drive a little slower then, couldn't he? [Laughter.]

Mr. BLAKSLEE. We would watch that at the administrative end.

Senator HARDWICK. We can't do that unless we go back to the beginning and readjust everything in the Rural Delivery Service.

Mr. BLAKSLEE. No; I offered legislation three times covering that.

Senator HARDWICK. I say, we haven't got it unless we are going into that whole subject and readjust the standard entirely. We can't make these increases otherwise.

Senator SWANSON. Are most of these routes less than 24 miles or 26 miles—are most of those routes situated in a country that is thickly populated, so that it takes a good deal of time to make delivery?

Mr. BLAKSLEE. Yes; most of them are.

Senator SWANSON. Do you have 16-mile routes in sparsely settled districts?

Mr. BLAKSLEE. Very few, because we have done our best to increase them to the maximum length in order to get increased business.

Senator VARDAMAN. Where you have a short route through a sparsely settled country it is usually an inaccessible country, like the country that Senator Swanson comes from. [Laughter.]

Mr. BLAKSLEE. It is usually a loop route from the end of another route.

Senator SWANSON. Well, big trees can't be crowded too much, like saplings can.

Senator TOWNSEND. Time is the very essence of this service. You want it to be rapid.

Mr. BLAKSLEE. Absolutely.

Senator TOWNSEND. Now, if you fix it on the number of hours the man with an automobile will find it more profitable to drive a horse, wouldn't he?

Mr. BLAKSLEE. Well, you realize, Senator, of course that you have got to have some administrative supervision over the character of service performed. Now, if a man uses an automobile and makes better time there is also the side of it to consider where we demand of the man to use an automobile. We say to him, "Here, using this horse you will never make connections to dispatch your mail on the same day that you start out on your route. Now, if you will go to additional expense, using an automobile, we will pay you extra money for doing it, so that you will get back in time to make dispatch on the same day the mail is collected."

Senator TOWNSEND. But your suggestion is that the man that requires the most time should receive the most pay. Now there is an element of equity in that, but wouldn't that naturally tend to discourage expedition, and the man now that hurries out and drives over his route and does his work right, and hurries things up and gets back—that inducement would be entirely taken away from him if you are going to shorten his pay because of the very fact that he tries to be efficient.

Mr. BLAKSLEE. Time would not be the only factor. If he covered 24 miles, for instance—there is the mileage basis, the fundamental thing. There is the basis on which he is paid the present salary. Now, you want to increase their salaries. You want to increase it as a matter of equity and justice under such conditions as obtain to-day—abnormal conditions. I say to you that the way to increase that salary is to base the payment on the amount of work and the time required to perform the work. Those are the factors on which increased pay should be given.

Senator SWANSON. I understood you had three factors—one, time; second, distance; third, the amount of mail.

Mr. BLAKSLEE. Yes.

Senator SWANSON. Now, what pro rata have you reached the conclusion would be fair in the 100 per cent for these various three elements?

Mr. BLAKSLEE. I have not reached any conclusion.

Senator SWANSON. Unless you reach a conclusion it would be impossible to put that into operation.

Mr. BLAKSLEE. I have not reached a conclusion on how the different items should be given their relative weight in compensation. The idea is that we first have to have legislation before we can bring out any details of administration.

Senator SWANSON. Have you ever tried to ascertain—using those three elements, giving a certain percentage to each of the three elements—to reach a conclusion as to what would be just for the vast majority of those carriers?

Mr. BLAKSLEE. I have. In 1914 we tried it in your State, and it resulted in 50 per cent increase in the quantity of mail handled.

Senator SWANSON. What section of the State did you try that in?

Mr. BLAKSLEE. All over the State. Your carrier hustled out and tried to get mail matter on their route, too, because of the fact that the quantity of mail was a factor in their pay.

Senator SWANSON. I think in some populous sections where you began to make experiments there was an increase in the quantity of mail. I think those around the large cities got a right good increase.

That is where you limited it to quantity. I think you started out experimenting on the quantity one, but I don't think you put in anywhere the element of distance, time, and quantity.

Mr. BLAKSLEE. Yes; distance was there in the first place. He was paid so much—he was paid a definite amount for the number of miles of road covered.

Senator SWANSON. But at that time you were proposing reducing the amount if he didn't carry a certain amount of mail, although he had the distance.

Mr. BLAKSLEE. No; we couldn't do that. The law stated how much he should get on account of the distance.

The CHAIRMAN. How did you increase it; on the amount of mail carried?

Mr. BLAKSLEE. No; but that is what I recommended.

Senator SWANSON. You made the experiment without paying him?

The CHAIRMAN. Let me ask this question: Your idea is that if there is an increase made for these rural carriers, it should be based upon the time they are employed, the amount of mail they handle, in addition to the mileage?

Mr. BLAKSLEE. Absolutely; the increase in pay should be upon those factors.

The CHAIRMAN. Now, you take a man in Senator Weeks's district, such as you have suggested, and he has got a 16-mile route and carries a large amount of mail; he makes the trip in eight hours. That is your suggestion?

Mr. BLAKSLEE. Yes, sir.

The CHAIRMAN. Then, he is getting now \$800. Now, you take a man down in Senator Swanson's district, who has got a 24-mile route; he doesn't carry anything like the amount of mail, but it takes him just as long to make the trip.

Mr. BLAKSLEE. Yes, sir; and they both ought to be paid the same money. The man in Massachusetts carries the quantity of mail and takes the same hours as Senator Swanson's man. Hours in that matter would govern—eight hours of work. Now, Senator Weeks's carrier, who is now getting \$800, because he works eight hours a day ought to be paid \$1,200, you see.

Senator VARDAMAN. Is there any difference in the cost on account of the distance—the cost of transporting the mail—over the man who carries it the 16 miles?

Senator SWANSON. The man who carries the mail 24 miles and only works four hours gets \$1,200; and the man on the 16-mile route works eight hours and don't get but \$800. Now, he contends that the man who works four hours on this 24-mile route and gets \$1,200 is receiving twice as much compensation as the man on a 16-mile route that works eight hours.

The CHAIRMAN. I understand, but what I was getting at was if you are going to make any increase at all in the pay of the carriers, 5 per cent or 10 per cent or 15 per cent, under this plan you couldn't apply that increase at all.

Mr. BLAKSLEE. According to this plan?

The CHAIRMAN. According to your plan.

Mr. BLAKSLEE. You mean on the flat rate basis of 10 or 15 per cent?

The CHAIRMAN. Yes.

Mr. BLAKSLEE. You will find that when you add 10 or 15 per cent you add to the appropriation something like six or seven million dollars.

The CHAIRMAN. I know that.

Mr. BLAKSLEE. And on the other basis you give the man legitimately entitled to that increase the pay that he is entitled to.

Senator McKELLAR. How many 16-mile routes are there?

Mr. BLAKSLEE. I couldn't tell you without going into statistics.

Senator McKELLAR. Are there a thousand of them?

Mr. BLAKSLEE. Yes; that many, I should think.

Senator SWANSON. I understand your recommendation is this: That if we give this 15 per cent increase, or 10 per cent or 20 per cent to the rural carriers, that it should be done with the provision that the department shall add to the present salary paid the carriers this sum according to the time, the amount of mail, and the distance traveled by them?

Mr. BLAKSLEE. They have already got distance.

Senator SWANSON. According to the time and the amount of mail carried by them?

Mr. BLAKSLEE. Yes, sir.

Senator SWANSON. Your contention is that the increase ought to have those two elements in it, so as to work justice?

Mr. BLAKSLEE. Absolutely.

Senator VARDAMAN. Isn't it a fact, General Blakslee, that the man who carries the same amount of mail 24 miles—that it costs him a good deal more than it does to carry that mail 18 miles? In other words, that the man with the 24-mile route carrying the same amount—or half the mail, we will say—that the man does on the 16-mile route—it costs the man in the 24-mile route very much more transportation than it does the man on the 18 or 16 mile route?

Mr. BLAKSLEE. No; I don't believe it does, Senator.

Senator VARDAMAN. Of course it costs him more for wear and tear on his buggies, horses, and wear and tear of an automobile.

Mr. BLAKSLEE. He has got to have a buggy and horses just the same on either route.

Senator VARDAMAN. But then it is wear and tear. He can carry 16 miles with half the horsepower that he does 24 miles. One horse can go 16 miles a day pretty nearly the year round, but it would take three horses to go 25 miles a day the year round.

Mr. BLAKSLEE. Yes.

Senator VARDAMAN. And there is just double the wear and tear on the vehicle that he uses, too.

Mr. BLAKSLEE. Now you are using the comparison of one horse and three horses. But suppose the man on the 24-mile route uses a motorcycle with a side van. Now we will take the other swing of the pendulum, the other end of it. He hasn't got anything like the expense of the man with one horse on the 16-mile route; yet he gets increased money—more than the man on the 16-mile route. The man on the 16-mile route gets but \$80 a year increase, while the other man gets \$120. There is the answer to the thing.

Senator HARDWICK. If you make time the controlling factor you will slow it up instead of speeding it up.

Mr. BLAKSLEE. Well, you could not slow some of them any worse than they are. [Laughter.]

Senator HARDWICK. Well, if any of them are bad, we don't want to make them any worse.

Mr. BLAKSLEE. But the point to that time factor is that you do justice to the man who takes time to route his mail in the office. His office work takes time, and he doesn't have much to do out on the route, as far as mileage is concerned.

Senator WEEKS. Take the man handling 30,000 pieces of mail a month; how much time would he have to spend in the office in routing that mail?

Mr. BLAKSLEE. One thousand two hundred pieces would take an hour and a half to two hours.

Senator WEEKS. He would devote that time to the service in addition to the time on the road?

Mr. BLAKSLEE. Absolutely.

Senator WEEKS. And the man who was earning \$6 a month wouldn't have to devote any time in the office?

Mr. BLAKSLEE. How do you mean? That Tennessee carrier?

Senator WEEKS. Yes.

Mr. BLAKSLEE. His time in the office is limited to 15 minutes, and he gets \$1,200 a year.

Senator McKELLAR. What was that about the Tennessee carrier?

Mr. BLAKSLEE. The total postage collected and delivered on that route is \$6 a month.

Senator McKELLAR. Where is that?

Mr. BLAKSLEE. In Tennessee.

Senator McKELLAR. What particular place?

Mr. BLAKSLEE. I can give you the name of the place.

Senator McKELLAR. I wish you would.

Mr. BLAKSLEE. I will do that.

(The matter referred to is here printed in full, as follows:)

POST OFFICE DEPARTMENT,
Washington, February 15, 1918.

HON. KENNETH McKELLAR,
United States Senate.

MY DEAR SENATOR McKELLAR: During the hearings before the Post Office Committee of the Senate on February 14, I stated that there are two or three routes in Tennessee where the total postage receipts from all matter collected and delivered amounted to approximately \$6 a month. I find that a clerical error in the original tabulation as submitted to me, and now corrected, shows, in fact, \$19 and \$20 a month as the receipts of the two routes that I had in mind, rather than \$6 and \$9.

The routes are located at Olive Hill and are served by carriers B. R. Patterson and G. T. Allemicks. They are 22.27 and 24.50 miles in length, respectively, one route requiring 8 hours and the other 7 hours and 30 minutes on the road to serve.

Nevertheless, at Allons, Tenn.: R. L. Holt, carrier. Route is 25.24 miles long; 8 hours on road; total postage, \$12 a month. Carrier's pay, \$100.

At Lookout Mountain: M. B. Newell, carrier. Route is 17.81 miles long; requires 7 hours on the road; total postage, \$365 per month. Carrier's pay, \$70 a month.

At Brush Creek: R. W. Powell, carrier. Route is 27.70 miles long; requires 3 hours and 30 minutes on road; total postage, \$34. Carrier's pay, \$100 a month.

I contend that neither Holt nor Powell should receive increased pay, as they do not work more than 8 hours a day, and do not work hard at any time, because of the limited amount of mail matter carried; in fact, Powell only works one-half a day.

I also submit that Carrier Newell should receive \$1,200 per annum, not only because he works a full 8-hour day, but because he also transports a large amount of mail, and therefore works hard.

Under a flat-rate increase of 15 per cent, Holt would receive \$115 a month, Powell would receive \$115 a month, Newell would receive \$80.50 a month.

Should an allowance of \$24 per mile on every mile in excess of 24 be authorized, in addition to increased pay, Holt would receive \$117 a month, Powell would receive \$123 a month, and Newell would receive \$80.50 per month.

Thus the injustice to Newell.

There are carriers on 17-mile routes whose work only requires 1½ hours a day. They already receive ample compensation.

I submit that every increase above the present mileage basis of compensation should be for hours of service or because of unusual amount of work performed by rural carriers.

Believe me to be,

Sincerely, yours,

J. I. BLAKSLEE,

Fourth Assistant Postmaster General.

Senator McKellar. Is that the lowest in the State?

Mr. Blakslee. That is the lowest in Tennessee.

Senator McKellar. Is it the lowest in the United States?

Mr. Blakslee. I wouldn't say it is the lowest in the United States, but there are some very low in Tennessee.

Senator McKellar. Are there some in Senator Swanson's State that are lower? [Laughter.]

Mr. Blakslee. There are some in every State that are very low.

Senator Weeks. I would not have mentioned that if I had known Senator McKellar was here. [Laughter.]

Senator McKellar. Well, that is all right. I want to know about it.

Senator Vardaman. Is that in the mountains of Tennessee?

Mr. Blakslee. I don't know. I only know we were making up a statement of all the States and there were some very astonishing results.

Senator Vardaman. What is the present appropriation for rural carriers?

Mr. Blakslee. \$53,000,000.

Senator Vardaman. Well, 15 per cent of that is nearly \$8,000,000.

Mr. Blakslee. Fifteen per cent would amount to \$10,300,000.

Senator Vardaman. How do you figure that?

Mr. Blakslee. You have your substitutes also to pay the 15 per cent.

Senator Vardaman. They are not included in the 15 per cent.

Mr. Blakslee. Yes; they are.

Senator McKellar. Fifteen per cent would be but about \$8,000,000.

Mr. Blakslee. I think that was the basis on which the bill was offered in the House.

Senator Hardwick. It looks to me like \$9,700,000.

Senator Weeks. That bill in the House, Mr. Blakslee, included increasing the pay on the routes more than 24 miles.

Mr. Blakslee. Yes; that is right.

Senator Weeks. The increase to carriers would be about \$8,000,000.

Mr. Blakslee. Yes.

The Chairman. Mr. Blakslee, how would you equalize the pay of carriers who carry 24 miles and the others 30 miles?

Mr. Blakslee. If a man carries 24 miles a day on a rural route, he gets \$1,200. Now, supposing that man carries 36,000 pieces of mail—

The CHAIRMAN (interposing). I am not talking about the mail. I am speaking about the distance.

Senator HARDWICK. How should we apply it if we wanted to remedy that, the same scale ascending that we have already applied descending?

Mr. BLAKSLEE. Above 24 miles?

Senator HARDWICK. Yes.

Mr. BLAKSLEE. No.

Senator HARDWICK. Why not?

Mr. BLAKSLEE. Because, the first cost of the equipment of the individual has already been included in the 24 miles, up to 24 miles, at \$50 a mile. We have already given consideration to the equipment question. The depreciation and interest on the investment has already been provided for.

Senator HARDWICK. So have you on the descending side?

Senator SWANSON. How many routes have you got in excess of 24 miles?

Mr. BLAKSLEE. I don't know exactly.

Mr. WOOD. I should say about 28,000 or 29,000. That is, in excess of 24 miles.

Senator HARDWICK. I didn't think you had near that many.

Mr. WOOD. Yes.

Senator SWANSON. How many have you got entirely now?

Mr. WOOD. That includes 24½, 24½, 25—anything above 24 miles.

Senator SWANSON. How many about 30 miles?

Mr. WOOD. Most of them are confined to Kansas, Nebraska, North and South Dakota, Minnesota, and out that way. Roughly speaking, there are something like 1,500.

Senator SWANSON. How about 27 miles?

Mr. WOOD. This would be a pure guess, but I have got the exact figures on that.

Senator SWANSON. Could you furnish the exact figures of the number of routes in excess of 24 miles?

Mr. WOOD. I will furnish a full table of all lengths.

Senator TOWNSEND. Let that include the shorter routes, too.

Mr. WOOD. I will furnish a full statement of the routes of all lengths, and the number of each length.

(The data referred to is here printed in full, as follows:)

Statement showing the number of ordinary daily and triweekly routes in operation in each State Feb. 1, 1918, with the total number in each State and the total number of each length.

States.	Length of routes (miles).																				Total routes in States.												
	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26		27	28	29	30	31	32	33	34	35	36	40	
Alabama.....																																	1,064
Arizona.....																																	28
Arkansas.....																																	653
California.....																																	310
Colorado.....																																	218
Connecticut.....																																	269
Delaware.....																																	72
District of Columbia.....																																	7
Florida.....																																	181
Georgia.....																																	1,514
Idaho.....																																	196
Illinois.....																																	2,734
Indiana.....																																	1,801
Iowa.....																																	2,156
Kansas.....																																	1,838
Kentucky.....																																	1,859
Louisiana.....																																	300
Maine.....																																	480
Maryland.....																																	413
Massachusetts.....																																	277
Michigan.....																																	1,798
Minnesota.....																																	1,005
Missouri.....																																	937
Montana.....																																	136
Nebraska.....																																	1,098
Nevada.....																																	4
New Hampshire.....																																	245
New Jersey.....																																	293
New Mexico.....																																	46
New York.....																																	1,826
North Carolina.....																																	1,399
North Dakota.....																																	691
Ohio.....																																	2,536
Oklahoma.....																																	975
Oregon.....																																	250
Pennsylvania.....																																	1,983
Rhode Island.....																																	48
South Carolina.....																																	880
South Dakota.....																																	641
Tennessee.....																																	1,604

Statement showing the number of ordinary daily and triweekly routes in operation in each State Feb. 1, 1918, with the total number in each State and the total number of each length—Continued.

States.	Length of routes (miles).																																				Total routes in States
	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	40						
Texas.....					2		4	4	3	11	13	28	23	78	81	149	140	334	294	232	180	161	142	38	32	17	6	9	4	2	1,987						
Utah.....					1	1	1	1	4	3	3	5	10	6	24	25	42	44	80	9	8	4	2	1	2	1					52	341					
Vermont.....	1	1			1	3	1	5	4	3	3	5	10	35	93	90	126	110	261	151	78	28	13	11	2	2	1				1,116						
Virginia.....				1	1	3	3	6	10	15	20	19	39	35	90	90	126	110	261	151	78	28	13	11	2	2	1				1,373						
Washington.....					1	1	3	5	1	3	8	3	10	8	17	27	63	68	49	42	24	16	6	12	3	1	1				434						
West Virginia.....					2	2	2	2	2	10	8	14	17	33	28	57	48	109	51	27	9	13	2	2	3	1					1,704						
Wisconsin.....					1		3	2	3	6	4	18	15	23	21	70	78	296	416	355	201	109	63	8	4	3	1				23						
Wyoming.....													1	1	1				4	3	2	2	2	2	1	2	1	1	2								
Total.....	1	2	8	16	36	47	63	105	118	226	227	511	489	1,142	2,383	2,419	6,983	6,201	5,235	4,439	4,127	3,363	1,575	870	402	183	129	81	54	1	42,630						

Statement showing the number of motor vehicle routes in operation in each State Feb. 1, 1918, with the total number in each State and the total number of each length.

States.	Length of routes (miles).																				Total routes in States.
	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70
Alabama.....	5	3	1	4	3	2	2	2	3		1		1	1							26
Arizona.....																					1
Arkansas.....																					1
California.....	24	24	13	13	12	3	4	1	1		2										97
Colorado.....	4	1	2	3	3	2	5	2	2	2	2	1	2	1	3	1	1				41
Delaware.....	6	1	1	2	1	2															13
District of Columbia.....																					4
Florida.....	10	15	12	8	9	1	4	4	3	2	2	1	1	1							75
Georgia.....	20	15	10	10	7	14	4	3	3	6	3		1	1							97
Idaho.....																					1
Iowa.....	16	21	9	14	12	6	1	2	2		2										87
Kansas.....	1	5	1	4	2	1	1	1	2		2	1	2	2	1	4		2			22
Kentucky.....	2	3	1	2		2	2	4	1	5	3	3									40
Louisiana.....	5	2			1	1		1													10
Maine.....																					2
Maryland.....																					2
Massachusetts.....																					2
Michigan.....																					2
Minnesota.....	3	4	1	1	3						1			1							14
Mississippi.....					1																1
Missouri.....					1																1
Montana.....												1		1							1
Nebraska.....	1						1														5
Nevada.....																					5
New Jersey.....																					7
New Mexico.....	1						1	1		1											5
North Carolina.....																					1
Oklahoma.....	9	8	11	9	15	13	21	18	23	5	13	3	2			1					151
Oregon.....	1			1		1															6
Pennsylvania.....																					1
Rhode Island.....																					1
South Carolina.....																					1
Texas.....	15	15	13	12	6	12	8	1	3	4	1						1				91
Utah.....																					2
Virginia.....																					2
Washington.....																					2
Wyoming.....																					2
Total.....	133	126	83	85	81	63	59	41	37	25	32	14	9	8	4	6	3	2	1		813

Senator HARDWICK. We fixed up a provision here which went through the committee and through the Senate, which took care of all the fellows above 24 miles. It was finally lost in conference. Do you remember that?

Mr. BLAKSLEE. Yes; I remember that.

Senator HARDWICK. It wasn't exactly the same scale, was it?

Mr. BLAKSLEE. No; it was on the basis of \$24 a mile.

Senator HARDWICK. Now, at that time the department was willing to accept that?

Mr. BLAKSLEE. We have no objection to it to-day. The only thing we think, Senator, is that the 36-mile maximum ought to be wiped out. We ought to be permitted to put routes in from 36 to 50 miles, using motor vehicles, and using your 24 miles, you understand— increase \$24 above the 24 miles.

Senator SWANSON. The difficulty we had with that was this: As you get your mail delivered over 24 miles for \$24 per mile, and up to 24 miles it is \$50 per mile, you would make a great many long routes, and consequently the people wouldn't get their mail promptly. Sometimes it would be about 10 o'clock at night, and that is the reason we didn't turn things absolutely loose. What about that contention?

Mr. BLAKSLEE. Don't you think we had better get on more agreeable grounds and say that we won't play any funny game of that sort?

Senator SWANSON. We were disposed to let it be increased up to the extent—the distance—to the extent at which it would not produce delay, but you might get the idea that you would have great economy and make the department very self-sustaining, and the longer the route the less it would cost, and you would have a great many long routes, and people on the rural delivery, like myself, would not get their mail delivered until 10 o'clock at night.

Mr. BLAKSLEE. It worked two ways. You did prevent me from doing anything of that nature. You also prevented a lot of people in the United States from getting any mail service at all.

Senator SWANSON. Are there very many routes where you could extend them 2 or 3 miles without much inconvenience and accommodate the people?

Mr. BLAKSLEE. Absolutely.

Senator SWANSON. What limit would you put over which you can not go, so as to not give the temptation of great economy, and so delay the delivery of mail? What would be a good maximum? Fifty miles is nearly double. We stopped at 36. We put that there because we didn't think we would be hurt much at 36.

Senator VARDAMAN. We might make it 40.

Mr. BLAKSLEE. You can depend on it, Senator, that we have gotten over our first enthusiasm for that.

Senator SWANSON. You care more for efficiency now than surplus?

Mr. BLAKSLEE. Yes; we have gotten down to the point where we see something in this service game that is worth while going after, and I think you could well trust us to play fair. At the time in 1914, if you remember, Senator, there was a war on, and the postal revenues were showing a rapid decrease. They were going down so rapidly that we were alarmed in the department, and we were taking this method of doubling routes, we might say, or increasing the length

of routes. That met with so much objection on the part of the Senators and Members of Congress, in order to save money at that time, in order to keep our postal revenues from showing too great a deficit—

Senator VARDAMAN (interposing). How is that now?

Mr. BLAKSLEE. There is no reason at this time for doing anything of that sort. Now, that is the fact. That is the reason we did it then.

Senator HARDWICK. We understood it then.

Senator SWANSON. You think 40 miles would be enough?

Mr. BLAKSLEE. Forty miles, Senator—a man with a motor vehicle can run a motor route easily at 40 miles. You directed \$1,800 a year as a maximum salary paid for a 50-mile route, and it is too low; and yet the department can not make it 40 miles and thus pay salaries commensurate to the service.

Senator HARDWICK. Now, if you had \$24 a mile up to 36, even that would enable you to give them enough.

Mr. BLAKSLEE. Yes; but remove the other restriction, Senator, while you are at it. We will guarantee results. You will not have anything to complain about.

The CHAIRMAN. Now, here is another thing, and that is fourth-class post offices. Can you see any way to increase them?

Mr. BLAKSLEE. I got myself into trouble once before by going out of my baliwick into the Railway Mail Service.

The CHAIRMAN. I thought you had control of that.

Mr. BLAKSLEE. No.

Senator HARDWICK. We have got a representative here of that service.

The CHAIRMAN. Well, we will have him, too.

Mr. BLAKSLEE. They used to be under our supervision, but they are not now.

Senator HARDWICK. That is under the Railway Mail Service now?

Mr. BLAKSLEE. No; under the First Assistant, Mr. Koons.

The CHAIRMAN. The committee will adjourn now, subject to the call of the chairman.

(Thereupon, at 4.35 p. m., the committee adjourned to meet at the call of the chairman.)

POST OFFICE APPROPRIATION BILL, 1919.

SATURDAY, FEBRUARY 16, 1918.

UNITED STATES SENATE.
COMMITTEE ON POST OFFICES AND POST ROADS.

Washington, D. C.

The committee met, pursuant to call, at 10.30 o'clock a. m. in the committee room, Capitol, Senator John H. Bankhead presiding.

Present: Senators C. A. Swanson, J. K. Vardaman, T. W. Hardwick, C. E. Townsend, J. W. Weeks, and J. I. France.

The CHAIRMAN. The committee will be in order. Mr. Praeger, you may proceed. I think the first thing we would like to inquire about is what the facilities are, what provision has been made by the Post Office Department for the handling of mail in France. Now, just start out and tell us what facilities you have provided for the handling of the mails that go from this country to France to the Army.

STATEMENTS OF HON. OTTO PRAEGER, SECOND ASSISTANT POST-MASTER GENERAL, AND MR. WILLIAM I. DENNING, GENERAL SUPERINTENDENT RAILWAY MAIL SERVICE.

Mr. PRAEGER. When the troops first went to France the Post Office Department had a conference with the General Staff of the Army and outlined a plan of sending the mail to the troops in France and a general plan of organization. Then a commission, composed of the superintendent of foreign mails, the assistant general superintendent of the Railway Mail Service, and Mr. Bunn, the postal agent, went to England and studied the English plan, and to France, where they studied the French plan, as well as the English plan in the field, particularly their field post offices.

As a result, it was decided to follow the European practice of making up the mails in the home countries, and in the United States they were to be made up in New York City, distributed to the companies, and sent over in sealed sacks and delivered by the postal authorities to the mail orderly of the regiment or of the company or of the headquarters to which the mail orderly was attached.

The distribution of the mail for the troops is made at Chicago for the mail originating in the States west of the Mississippi and in New York for the mail originating east of the Mississippi. The Chicago terminal, where the mail is worked, has a floor space of about 8,000 square feet, but the New York station has a floor space in excess of 50,000 square feet, being three floors of a building. The distributors are taken from the personnel of the Railway Mail Service to such an extent as we can find regular or unassigned clerks available for the work, and as we can get from the substitute list.

During the Christmas rush of mail for the troops we had an immense amount of laborers and distributors in the terminal who were not in the classified service. I had an inspector investigate the terminal there, and he reported that the noncertified clerks were appointed because the certified list had been long exhausted. I forget how many—perhaps half of the force was uncertified clerks. Since then the superintendent is pulling in regular clerks wherever he can find them in the division and giving them regular assignments in that terminal.

During that Christmas period, naturally, there was some theft, but no more theft of parcels than exists in the post office or at the depots or in the transit of mail. The trouble with the green distributors not in the certified list was that their hearts were not in the work and they were careless in their distribution.

The mail at these terminals is distributed without any information from the War Department. We don't know how to make up the mail except by the fact that letters are coming in for this unit or for that unit. Out of that we build up, day by day, a new section, showing that there are new troops there because there is mail arriving.

In the Navy, we handle the mail for the entire naval forces, but the Navy furnishes us by telegram or by radio a change in the shift of its ships on the day they take place. The Army gives us no information whatever, as, I assume, it is a military necessity to hold it secret. So all we can do is to make up all the mail we receive for Company A, of the — Infantry, in one sack and label it so.

That mail, arriving in France at one of the ports, is dispatched by a post-office official, who is furnished, confidentially, by the Army there with the location of all the units in France. That information from the Army to the postal authorities has heretofore been uniformly 8 to 10 days after the unit is finally settled in its location. Sometimes it is longer and sometimes a little faster, but not very frequently.

Senator **HARDWICK**. Why is it that they can not give you the information sooner?

Mr. **PRAEGER**. We assume it is a matter of military necessity.

Now, further than that, when one unit moves from this section, or this section to that section, the Army will not give us in all cases that information maybe within 10, 12, or 15 days. Meanwhile the mail continues to go to the old place. A very notable case was with some Artillery units taken away from a certain postal station and sent to another station 110 miles distant. The postal agent one morning received a telegram from the postal superintendent at this distant station to which the Artillery units were moved saying, "Such and such Artillery units are here. We can take care of the mail for them." The postal agent took that telegram to the officer in charge of lines of communication on Gen. Pershing's staff, and this officer said we could not send the mail to the new unit because it was a secret movement. Fourteen days after the units were at the other place he finally removed the ban. This policy of not promptly advising the postal agent of changes in locations of units has been ordered changed by the Secretary of War, who has directed that

information be given of the location of the units of the troops to our postal authorities daily. The English do that and the French do that. The English, furthermore, do this: The minute there is a change in units or change of location of units or any considerable detachment the information is given to their field headquarters, who use the military telephone to transmit it to all their branches.

I might say this: That it is easier for the English to handle their mail because their troops are concentrated like a large cantonment. Our units are scattered all over France. We have units along the coast, in the interior, then upon the Lorraine front, and elsewhere. Also we have aviation sections in Italy. We don't know when we receive mail addressed to France whether the boys are in England in training, in France, or if it is an aeroplane outfit, or whether they are in Italy, or for that matter, still in the United States.

Senator HARDWICK. Why do we get all these complaints about the mail being delayed in being mailed over there? Are you having any trouble like that with reference to the mail that the soldiers seek to mail back home here

Mr. PRAEGER. The complaints of mail from the soldiers here, of course, are relatively smaller than the complaints of the mail to the soldiers there. There is a good deal less complaint about the letters coming here. There is delay to a soldier's letter in the first place before it is mailed at a field postal station. The only way we can explain it is that it is due to the censorship under field conditions where the censor is swamped by mail from the men, say, on being relieved from front duty coming in and piling letters on him faster than he can read them.

Senator HARDWICK. You mean the censor has to read these letters?

Mr. PRAEGER. Yes, sir; all of them coming this way. There may be other delays where the men are away from the postal stations, these being sometimes 20 miles from where the boys are at the front. At Chaumont or Paris, or stations like that, they are close to the camps, but along the enemy front we are from 2 to 20 miles from where the troops are actually stationed. When the men are relieved from trench or other duty they come back into the villages and they bring in their mail and cash for money orders.

Senator SWANSON. I saw a letter from an officer that didn't have to be censored at all; he just put his name as an officer on it, and it was nine days from the time he wrote it before it was stamped at the office to which it was to be sent to Maryland.

Senator HARDWICK. Yes; the son of one of our colleagues.

Senator WEEKS. Let me give you a more exaggerated case than that. I had a letter from my own son written on the 23d of December and it was mailed in France on the 13th of January, stamped in France.

Mr. PRAEGER. I can only say this: That the mail is postmarked as soon as it reaches the stations. The orders there are to clear the mail every day. All the mail that they can not work up—they do very little distribution in those stations—is sent unworked. There is no reason for them to hold it. It all goes to New York City. The clerks are to distribute as many of the letters as they can to States and to directs, and the rest is to be dispatched to and distributed in New York.

Senator SWANSON. Have you enough information to do this promptly and quickly, because I think these soldiers, regardless of whether other people get mail or not, ought to have the best mail facilities of anybody in the United States Government.

Mr. PRAEGER. Now, you realize where the delay can come in going to a soldier. We don't deliver the mail to the individual soldier, but to the mail orderly. If the man is with his regiment when the mail comes in, unquestionably there is no reason why he shouldn't get it immediately. If he is detailed away from his command for a period of two weeks or three weeks it is the duty of the mail orderly, over whom we have no control, to readdress the letter to the proper location.

Senator WEEKS. Let me call your attention to the case that I have already done, I think. I have instanced the case of my own son because I know the situation. He was ill, threatened with meningitis, when he wrote this particular letter. He said:

I was confined to my bed yesterday, and it happened that the mail came in that day. We hadn't had a mail for two weeks. I received 26 letters and 9 packages, so I spent the day reading letters and looking at the packages.

Now, he is in the same camp he has been in since last September. He has not been away from that camp or had not at that time been away from it except for two days. Now, evidently there was an interval between the deliveries of mail to that regiment of two weeks. Now, how could that be possible?

Mr. PRAEGER. Let me go back to New York. After the mail is made up in the New York office and put in a sealed bag addressed to the company we have two ways of sending it: One is by the French liners. They are running very irregularly—sometimes 14 days, sometimes 18, and we have known it to be longer—nearly a month—between the arrival and departure of French liners. They used to have enough ships to operate, I think, a semiweekly service. Then when the war broke out it got to be weekly service. Now they run irregularly. We have had intermissions of two weeks frequently between sailings of those French liners.

Senator WEEKS. Why don't you send the mail on the transports?

Mr. PRAEGER. We do it. Our other source is to send it on the transports. We can send on the transports mail only to such an extent as the embarkation officers will permit to go aboard. We can not control it. They are to tell us how much mail they can take and when they will take it. They will send, say, for example, 3,000 sacks at noon to-morrow or 1,000 sacks at noon to-morrow. We may have waiting eight or ten thousand sacks, but 3,000 sacks are all that they will take.

Senator SWANSON. Is all your mail congested in New York and from there distributed abroad?

Mr. PRAEGER. Yes, sir.

Senator SWANSON. Why don't you send some mail to Norfolk, Galveston, and Savannah, and transport it from there?

Mr. PRAEGER. The Army will not take it except at the regular embarkation port.

Senator SWANSON. I understand from New York 26 ships go out daily, and from Norfolk 16, for foreign service.

Mr. PRAEGER. We have asked permission to send this mail from all the ports where they send transports, and they have not granted that

request. In fact, they said that many of the transports that would load elsewhere finish loading at Hoboken and go out under one convoy.

Senator SWANSON. Is that recent information, or is that sometime ago?

Mr. PRAEGER. That is when we were in trouble with them in December. Maj. Gen. Baker told me he would take on the transports the letter mail—but letters are a small part of our mail—and only so much parcel post as they had room for. During December we had only nine dispatches of mail. Now we can dispatch more frequently on transports, but it doesn't follow that that mail will leave direct for France on the days it is loaded. The ships go out to the rendezvous, and ships loaded at different dates sail at one time.

The CHAIRMAN. There is no censorship from this country to the soldiers, is there?

Mr. PRAEGER. Not at all.

The CHAIRMAN. Is it censored when it gets over there?

Mr. PRAEGER. No, sir.

The CHAIRMAN. Only the mail from France here is censored?

Mr. PRAEGER. Yes; by the military censors in France. There is no censorship on the mail going over there.

Senator WEEKS. Let me ask you this in that connection: My son, who is a first lieutenant, censors the mail for his battery, at least a part of it. He censors his own letters to me, and I have noticed the last three or four letters that I have opened have been censored by somebody else, because the letters have been opened. Why is that?

Mr. PRAEGER. I don't know.

Senator WEEKS. Maybe it is because I am an offensive partisan.

Mr. PRAEGER. His letter is one of thousands and loses identity after it gets into our service, and don't see how it could well be singled out here or in France.

Senator WEEKS. He is so conscientious he doesn't write anything, but I don't see why his letters to me should be censored again—opened in this country and censored—do you?

Mr. PRAEGER. Have you got the envelopes?

Senator WEEKS. Yes; I have got the envelopes.

Mr. PRAEGER. It would be interesting to see where it was done.

Senator HARDWICK. Did they show where it was done?

Senator WEEKS. No; they were opened and then sealed and marked "Censored" again.

Senator HARDWICK. It might be done over there.

Senator WEEKS. No; it must be done here, because he censors himself and marks it on the envelope.

Senator HARDWICK. They may be censored in France.

Mr. PRAEGER. He might, out of courtesy, pass it on to some one else to censor, being his own letter, but such a letter would be one of thousands or hundreds of thousands reaching the New York office, and unless every letter was again censored it would be hard to see how they would find one or a few particular letters to censor.

The CHAIRMAN. Have you got any suggestion to make, or any reason to offer, for the delay that appears between the date it is written and the post mark that is post marked on it when delivered to the mails?

Mr. PRAEGER. Absolutely none, except as being due to censorship and delay in the camp, or to delays by the men who write the letters getting their letters to the station.

The CHAIRMAN. I can see where a man might write a letter and fail to mail it for several days, but it is so universal, it is so general, that it couldn't always be that way.

Mr. PRAEGER. I beg your pardon, the complaints of delay to letters coming this way are comparatively small.

The CHAIRMAN. I know, but we have got a number of specific instances that the letters where they were dated, for instance, 1 day, were 10 days from that post marked at the post office. Now I say that might be occasioned by the failure of the writer to mail the letter. I do not know. But I thought you might be able to give the committee some information on that subject.

Mr. PRAEGER. All I can tell you is that the instructions are to post mark those letters—we want our own skirts clear—to post mark those letters as they come in and at once. What the clerks can distribute there they distribute, and what they can not distribute is sent raw to the New York City post office.

The CHAIRMAN. Now, do you think you have got the postal force sufficient to France to properly and expeditiously handle the mail?

Mr. PRAEGER. There is absolutely no question of that.

Senator HARDWICK. It has got to be a constantly expanding force as our troops increase in number?

Mr. PRAEGER. Yes. Now, there was a time there during the Christmas mail period when the postal agent pulled clerks in from the stations to the ports. We handled 93 carloads of mail to the troops, and our endeavor was to get the mail to the boys on or before Christmas Day, so we drew off from the stations everybody who could be spared.

The CHAIRMAN. I am not talking about in this country.

Mr. PRAEGER. After Christmas we were confronted by this condition: We had 35 men at New York taken from the Railway Mail Service and the city post offices immediately after Christmas Day, on the 26th, and these were in New York from the 28th of December until about the 20th of January before they could get passage, and then they shipped second class because they couldn't get first-class passage. But outside of that we have been trying to send clerks to France at the rate of 25 a month. Now, we have increased that to about 30 or 35 a month on account of more troops going over than heretofore.

Senator WEEKS. How many men have you in France?

Mr. PRAEGER. We have now 140 men in France. We have got 25 assembling or waiting for the first passage they can take, and we have a call for 57 out for March. I suppose in April we will have to make it perhaps 60 or so.

The CHAIRMAN. Where do you draw that force from that you put into France?

Mr. PRAEGER. They are taken from the Railway Mail Service. We think they are the best men for this service. They work under stress; their training has been to work under stress, and we draw mostly from this class of employees. In addition to that, occasionally there is a call for men familiar with the money-order busi-

ness, or with the city office work, and then we call on the first assistant to select post-office men for that work.

The CHAIRMAN. Now, how do you supply those places that you draw from the Postal Service here? How do you reduce your postal force here to that extent?

Mr. PRAEGER. Every few weeks we ask the superintendent of each Railway Mail Service division to pick 10 men who will volunteer. That draws 150 men; makes them available. The men will volunteer to that extent, and then when they are called, about 20 to 25 per cent drop out because conditions have arisen at their homes that makes it impossible for them to go. So we draw really only a few men at a time from each of the divisions.

The CHAIRMAN. Those are all inexperienced men, are they not?

Mr. PRAEGER. They are sometimes chief clerks and often men drawing seventeen or eighteen hundred dollars in the Railway Mail Service—have been 10, 15, or 20 years in the service—who are going over there at \$1,200.

The CHAIRMAN. I am not talking about going over there. I am talking about it here. I am talking about how do you supply the places here for what men you take from the Postal Service to send over there?

Mr. PRAEGER. We have so many clerks unassigned—that is, we have many clerks in some of the divisions who are unassigned—and the superintendents try to take as many of them as they can. Then, naturally, if there is a shortage of men, they will draw on the substitute list.

The CHAIRMAN. Now, by that process, you don't impair the service here at home?

Mr. PRAEGER. Sending 140 men over there gradually would not do it. I'll tell you what has impaired our service, and that is this selective draft. We were very patriotic on the first one, and we asked for no exceptions. As a result we lost a couple of hundred men on the draft, and several hundred more through resignations to enlist or to go in the officers' training camps. That drain was felt on many of the lines, but this postal work in France is not impairing the service, because it is too slow a process.

Senator HARDWICK. It will have to be pretty rapidly expanded if you get the Army over there in a short time, won't it?

Mr. PRAEGER. Well, it depends on this: If the United States troops are close together and are finally given a sector and everything is concentrated, it takes relatively less men than if we have got to have a postal station here for 600 or a thousand men, another one there for 1,400 men. Just now we have postal stations in France wherever the troops train. They have engineer schools, aviation schools, artillery schools stuck out all over France, and we have got to put in a clerical force for each. Now, as that thing settles down, and we have a force all together, it will take relatively less men to handle the work than it does now.

Senator HARDWICK. Yes; but still, instead of supplying 300,000, you have to supply a million and a half or 2,000,000. It will be a different proposition.

Mr. PRAEGER. When the drain gets too hard on the Railway Mail Service, we will have to have other men—we will have to take them from the post-office service.

Senator WEEKS. Now, were many of these men reduced to a salary of \$1,200?

Mr. PRAEGER. They all get \$1,200. There are men who drew \$900 in this country and \$1,000 and \$1,100 among them, but \$1,200 is what all get, plus \$2.50 a day per diem, making \$2,100 a year. We are making a survey of the cost of living over there. It is jumping up from month to month, and we are going to try to make a classification on the per diem so that the men who are stationed in the larger cities, where the cost is higher, will get a greater per diem.

Senator WEEKS. Now, are all men, including the allowance that is given them, given as high salaries as they were receiving in this country?

Mr. PRAEGER. No, sir.

Senator WEEKS. There are some receiving less, including the allowance?

Mr. PRAEGER. The men all have volunteered—superintendents, who get \$3,100, have volunteered to go over there as clerks at \$1,200, plus the \$2.50 per diem. Clerks in charge of cars, who get \$1,600 and \$1,700; men in grade 10, who get \$1,800, have volunteered. I sent a chief clerk over there who was getting \$2,100 in this country. He was anxious to go over there, volunteered to go in order to contribute something personal to the cause.

Senator WEEKS. Well, he is getting \$2,100, including the allowance, isn't he?

Mr. PRAEGER. Yes; but it will cost him a good deal more than here to live over there. It will cost him, I think, \$60 to \$75 a month to live in France.

Senator FRANCE. You think the cost of living is higher over there than here?

Mr. PRAEGER. They tell me a ton of coal costs \$90. I don't know how true it is. We have figured out that lodgings and meals cost the clerks from \$2 to \$2.50 a day. The boys who are located at the front can get soldiers' rations, or they can get a room with some family for a few dollars a month, and their meals are very much cheaper than what the boys have to pay who are at Bordeaux, or Paris, or Tours, or other large cities.

Senator WEEKS. Do any of them take their families over there?

Mr. PRAEGER. No, sir.

Senator WEEKS. Then, they naturally would board instead of keeping house. Do you think that the cost of board is higher over there than it is here?

Mr. PRAEGER. Yes. I will say this: We have figured out from a number of reports that have come from individual clerks that between \$2 and \$2.50 a day is the cost of their room and board. I think 60 cents is for dinner and 60 cents is for supper. If I mistake not, that is the common run of their prices for those two meals. That makes \$1.20. The rest is left for their room and their breakfast. In Paris, or wherever there is a congested condition of troops and officers in town, the rates are higher.

The CHAIRMAN. Now, Mr. Praeger, unless some member wishes to ask some further questions—

Senator WEEKS (interposing). I wish to ask one more question about compensation: Don't you pay the leading men over there, men who would naturally be superintendents, more pay?

Mr. PRAEGER. Yes, sir—supervisors.

Senator WEEKS. How much do they receive?

Mr. PRAEGER. The postal agent gets the same salary that a division superintendent over here gets—\$3,250—and a per diem.

Senator WEEKS. The same per diem that the other men get?

Mr. PRAEGER. No, sir; he has to live in Paris, nearly altogether, and he has to do a lot of traveling. He gets, as I recall it, \$4 per diem.

Senator WEEKS. Does that include his traveling allowance?

Mr. PRAEGER. No. Whatever he pays in the way of transportation—sleepers or transportation—that is separate, but his subsistence is \$4 per day, and \$3,200 salary. The subordinates under him—the superintendents of transportation, of delivery, and the money-order cashier—they get the same per diem as the men—\$2.50, and their salary is \$2,200.

Senator WEEKS. How many superintendents are there?

Mr. PRAEGER. There is one in charge of transportation and one in charge of delivery of the mail, and then there is a money-order cashier in charge of the money orders.

Senator WEEKS. One?

Mr. PRAEGER. One.

Senator WEEKS. And all the others get \$1,200 salary and \$2.50 per diem?

Mr. PRAEGER. No; I didn't make myself clear on that. The superintendent of a postal station, who is in charge of the station and is responsible for it, gets, I think \$1,400—perhaps \$1,600. The superintendent of the station at Paris, I believe, gets \$1,800, and the one at either Tours or Chaumont gets either \$1,600 or \$1,800. His pay is according to the size of the station.

Senator WEEKS. Now, has this arrangement to pay the average man, whether he received \$1,800 in this country, or \$1,900, the same rate of pay, worked out satisfactorily? Has there been complaint from the men over there?

Mr. PRAEGER. No; there has been no complaint, and I can not conceive why there should be complaint, because it is voluntary service in France. We can get all the postal clerks we need, who are adventurous in spirit, who get \$900 to \$1,100 here and who would be somewhat ahead of the game if they went over there at \$1,200 plus the \$2.50 per diem. If any one is over there at \$1,800 or \$2,200 who is not satisfied, we are anxious to have him come back, because we have a long list of applicants who are eager to go over.

Senator WEEKS. Are all the men over there volunteers?

Mr. PRAEGER. Absolutely. Some of them go over there out of adventure—that is, out of the desire to see the war—but many have gone out of pure patriotic zeal. They have made sacrifices to go.

Senator WEEKS. Now, are you satisfied, Mr. Praeger, that everything is being done by both the War Department and the Post Office Department to facilitate the service over there? Everything is being done that can be?

Mr. PRAEGER. Everything is being done—I know absolutely—by the Post Office Department. I know that we could give a greatly improved service if the War Department's idea of what constitutes

military necessity and secrecy were liberalized. But we are entirely subject to their direction in every step that we take, and wherever their idea of secrecy conflicts with our service, we must give in.

Let me call your attention to statements made about the rifling of parcels for the troops. I am satisfied that there is some of it going on in France. I also know it is going on after it leaves the mail service, because the mail is delivered in sacks that are in good order, sealed by our people in New York. There are a number of independent organizations with the Army. They have their men—some with the French, some with the English, and some with the Canadians. There is the American Field Service or Ambulance Service. There also are some independent medical units, and we deliver the mail to their headquarters. The Red Cross gets an immense amount of it at its headquarters, and so do certain express companies and other American institutions. I brought here this letter, received yesterday, because from Members of Congress we have a number of complaints which affect to a large extent what is called the American Field Service. I wanted to undertake the delivery of mail direct to the men of this service instead of turning over to their headquarters the mail in bulk, because some time ago they had a great storeroom filled with undelivered mail, for which the Postal Service was being blamed. We found this was not feasible, because the men were stationed not only with Pershing but with the French, the Canadians, and the English, and the organization has means of communication with each man. This 21 Rue Reynourd is not a United States postal station, but headquarters of the American Field Service. The mail in it has passed out of the jurisdiction of the postal agent, but a complainant writes as follows:

I wish to call your attention to an unfortunate and unwarranted state of affairs at 21 Rue Raynourd, Paris, France, formerly the French headquarters of the American field service, but since the dissolution of that service it has become an Army post office. I am informed by my son, who entered the American field service last July, serving with it in France till late in October, that great quantities of mail sent to the American field service men has never been distributed, and in consequence many valuable parcels are lying at the office.

It is still the American field service and they are trying to close out their affairs and they are in charge. It is not an American postal station. [Reading.]

I quote from his letter of January 9, 1918, which reached me a few days ago: "There are hundreds of bags of mail and packages up at 21 Rue Raynourd that they don't even bother to open. They open and pillage a great many packages when they do open a bag. That's not hearsay. I was up there one day and they offered to give me a sweater (didn't need one), and I actually took some tobacco to give away that had been sent to my truck mate, Sturdy. He had gone home, so that wasn't so bad, but not a man of my acquaintance who was in the A. F. S. hasn't lost one or more packages. I wish something could be done about."

A parcel which I sent to my son October 20, addressed to 21 Rue Raynourd, containing things of value which he needed—sweater, cap, thermos bottle, etc.—has never reached him. His mail now goes to Paris, in care of Morgan Harjes & Co., and as far as I know everything sent to that address has reached him except my Christmas parcel, mailed here about November 12, not received on January 16.

Pardon this long letter—.

This field service—we tried to get them to turn their mail delivery over to us, but they objected to it, and—

Senator VARDAMAN (interposing). Is that the War Department?

Mr. PRAEGER. No; it is an independent unit. I understand Gen. Pershing has taken over that portion which belongs to his group, and they still have their units with the French and the English. It is a volunteer ambulance service.

The CHAIRMAN. Now, a letter addressed to France—directed to a French soldier, an English soldier, or a Canadian soldier—how is that disposed of?

Mr. PRAEGER. That goes to what is called the Bureau Central Militaire—B. C. M.—which is the French military postal clearing house, and they send it through their post offices.

The CHAIRMAN. That is delivered immediately—that is, delivered when it gets over?

Mr. PRAEGER. Yes, sir. We send it in the foreign mail to that French station. If it is for English troops, it is sent to Liverpool and then goes into the English Army post office, and the Canadians', of course, we send to Canada. They have a direct line from Halifax.

The CHAIRMAN. Now, Mr. Praeger, we want you to tell us something about the reorganization of the Railway Mail Service for the last couple of years. I notice the appropriation for the next fiscal year is about six and a half millions below the appropriation for the former. That, of course, would be a saving resulting in economy, and what the committee would like to have you tell is how you have reached that situation. We do not propose to object to the economy end of it, but we want to know how you reach that conclusion.

Mr. PRAEGER. In the first place, this is a saving not on expenditures—this is not a saving of \$6,000,000 on expenses, but a reduction of \$6,000,000 under the appropriation of last year, of which appropriation about \$2,500,000 was turned back as not needed.

When the space basis was put into effect it was new work. It was uncertain as to what it was going to cost or how long it would take to shake down and get on a settled basis.

Senator HARDWICK. Right there, has that question ever been settled yet by the Interstate Commerce Commission?

Mr. PRAEGER. No, sir; it is still pending.

Senator HARDWICK. It is still in an unsettled state, then?

Mr. PRAEGER. I had reference to the service settling down. Here is what happened, Senator: At midnight of October 31, 1916, service was on the weight basis. Under that weight basis it did not matter how many cars we used. We could demand a railroad car every time we had a half a car of mail or we could require every train that went out to carry a sack of mail. In the East here we had innumerable dispatches after what might be called post-office hours—after the last delivery—and that had no relation whatever with the connections at the point of destination with other lines. The superintendent of the New York division alone eliminated within a short period 302 such dispatches, because on the space basis we paid for every dispatch made.

Well, it took some time to get rid of the unnecessary dispatches, and that is what I meant by the service adjusting itself. Of course the final adjustment—the matter of pay, etc.—will come when the commission renders its decision.

Getting back to the financial end—

Senator HARDWICK (interposing). You mean the effect of that readjustment over the personnel of the Railway Mail Service, don't you?

Mr. PRAEGER. No; this on the space—on the amount of space we need on the trains for carrying the mails.

Senator HARDWICK. Yes; but you reduced the pay, the amount appropriated to the railway mail clerks, considerably, haven't you?

Mr. PRAEGER. Yes; but I thought you were asking me on the saving in transportation first.

The CHAIRMAN. We will get the other later.

Mr. PRAEGER. Yes.

The CHAIRMAN. Let me ask you this question, though: Do I understand that this saving is a result of the substitution of space for weight under the old system?

Mr. PRAEGER. Yes; directly and indirectly, Senator. Directly this way: That the amount of pay for the transportation of the mails has been reduced. In addition to that we have made a saving on freight charges on supplies, which under the law we can carry in the vacant space that is not used.

Then the same act of Congress extended the "blue tag," and we have made a considerable saving, all of which goes out of this inland transportation fund.

Senator HARDWICK. How much saving has there been on "blue tags" since that change? Can you give it in round numbers? You can look that up and put it in later.

Mr. PRAEGER. Now, when the space basis went in on November 1, 1916, all the existing service was put on a space basis, and that showed that that service would cost us \$64,000,000 if we continued to carry that, but by consolidating dispatches, by better loading, getting a full car or a half car instead of a half dozen smaller units, we were enabled to make a lot of these savings. I should say our savings out of the \$6,000,000 is \$3,500,000, because \$2,500,000 was the unexpended balance out of the previous appropriation.

The CHAIRMAN. Then I understand that as the pay now is based entirely on space, you have no reference to weight as you formerly had? The whole system of railway mail transportation goes on the space basis; is that the idea?

Mr. PRAEGER. Well, the larger part. I would say in the matter of pay, about 90 per cent or more—perhaps 95 per cent—is on space. All the small routes were left on the weight basis.

The CHAIRMAN. Well, do you understand that the law as it was passed, with reference to the space system, authorized the Post Office Department to put that system in everywhere until the Interstate Commerce Commission passed on it?

Mr. PRAEGER. It authorized the Post Office Department to put it in on each line, with the consent of the Interstate Commerce Commission, and the consent of the commission was obtained for each route that was changed from weight to space.

Senator HARDWICK. They did it for the purpose of ascertaining by actual experiment how the work compared with the other; is that it?

Mr. PRAEGER. Yes, sir.

Senator HARDWICK. They took the whole country for the experiment. That is what they did.

Mr. PRAEGER. I will tell you what they did, Senator. They put practically all that was railway post-office service on the space basis, and those short lines that heretofore had no railway post-office service on them at all they left on weight. That was the broad division.

The CHAIRMAN. I understand that to be a fact.

Senator VARDAMAN. What did you say had been the saving?

Mr. PRAEGER. The saving was \$3,500,000. The difference between those appropriations is about \$6,000,000, but \$2,500,000 of that was the unexpended amount out of the previous appropriation.

The CHAIRMAN. Aren't you mistaken about that? Was there that much unexpended? I think this report here shows \$676,000—no, that is for 1917.

Mr. PRAEGER. We turned back to the Treasury—

The CHAIRMAN. Well, that is of no importance, anyway. Now, could you tell the committee approximately how many clerks have been transferred due to the reorganization of the service?

Mr. PRAEGER. I would like to have, if agreeable to the committee, Mr. Denning testify on that, for he has the figures at his fingers' ends.

The CHAIRMAN. You can prepare that table and submit it later. I want to know the number of clerks that have been transferred in the reorganization which you have effected, and, further, how many have been reduced in salaries owing to that reorganization.

Senator HARDWICK. I expect what he means, when it comes to the details of this organization plan you prefer Mr. Denning to give them.

Mr. PRAEGER. Yes; he has the figures at his fingers' ends.

The CHAIRMAN. I suppose, then, you will not perhaps answer these? Mr. Denning can answer these other questions, perhaps, better than Mr. Praeger.

Senator HARDWICK. Now, what was the basis and purpose of this reorganization plan that you have made?

Mr. PRAEGER. Do you mean as affecting the personnel?

Senator HARDWICK. Yes.

Mr. PRAEGER. Well, the lines—many of the lines were overmanned; much of the mail was not being economically worked, and we tried to remedy two things: Where there were too many men on a line to reduce the number of men, and where mail was being worked on a line when it might be worked while it was lying idle in a post office or at a junction point or terminal six or seven hours, to have all such mail worked at such places instead of on the trains. Those were the two big points of saving that we could make.

Senator HARDWICK. In other words, where you had too many men you wanted to cut out this surplus timber?

Mr. PRAEGER. Yes.

Senator HARDWICK. And where you could, where mail was being detained for waiting trains at these terminal points, you wanted to work it where it was waiting?

Mr. PRAEGER. Yes.

Senator HARDWICK. Now, Mr. Praeger, in carrying out this policy has the department been careful in its effort to economize—which we compliment you for—not to impair efficiency in this very delicate branch of the service?

Mr. PRAEGER. We took the matter up with the chief inspector, and we laid down the rule that the economies were to be made without impairment of the service. The inspectors' reports, when made, were first submitted to the chief clerks and superintendents of the divisions. To find in this service that superintendents of divisions—and it is human nature—are prone to hold all the mail and as much service as they can conscientiously call for to keep up the prestige and importance of their respective divisions. Those reports of the inspectors were transmitted to the superintendents. Their views were asked. They would differ, perhaps, in some details or in some other details or reject the reports entirely. If they could agree on it, the department accepted whatever they agreed on. Where there was an irrevocable difference between them, the department undertook to make these cuts in the light of reading the reports of the superintendents and the reports of the inspectors. And we have tried to do that carefully. In some few cases we have cut too deep, and we have put back space and put back men.

Senator SWANSON. Have you got the instructions that you gave the inspectors regarding this reorganization of printed instructions?

Mr. PRAEGER. Yes; they are in another hearing. They are in the House hearings.

Senator HARDWICK. Mr. Praeger, this is the particular point I wish to direct your attention to, because it is a point of view that naturally will impress itself on us and which the public is most vitally interested in. The way this thing touches me and the way I apprehend the way it touches every other member of the committee is this: The people who live in my State along these shorter lines of railroads, where they have had what they thought was very efficient railway postal service, have in many instances complained very bitterly at the action of the department in taking off the railway mail clerks and the railway mail service and substituting a closed-pouch service for it, insisting in letters and petitions and memorials that they have literally deluged me with—at one time, at least—that while there may be some economy in it, the effect of it has been to very much impair the service on the smaller lines of railroad in every State. How about that?

Mr. PRAEGER. Senator, we tried not to make any changes in service which the public would see reflected in the delivery of its mail. We succeeded in most instances—I would say we have succeeded generally—in accomplishing that. The deprivation to the public in changing a 15-foot apartment car to a closed pouch lay only in this: That they couldn't go to a train and mail their letters as in the past. The mail would have to go through the post offices. If we could save only \$300 or \$400—or sometimes only \$800 or \$900—we would say pass it by, but if we could save \$1,200, \$1,400, \$1,600, or \$2,600 or, including the space and the man, \$4,000 or \$5,000, this sole deprivation to the public wouldn't weigh with us at all in our determination to change the service.

Senator HARDWICK. Now, I want to direct your attention to this: Complaint also comes to me that it very much interferes with the convenience of people along these smaller lines of railroad, mailing from one small station to another, or from a large station to a smaller station along the line. What about that?

Mr. PRAEGER. That is not the case unless—

Senator HARDWICK (interposing). Do you have a pouch for every little station?

Mr. PRAEGER. Yes. That is not the case unless somebody in the carrying out of the service falls down in performing the work. Originally the instructions were, postmasters were not to pouch on each other unless they had enough mail to warrant a pouch. We issued an order that every post office, where a line was changed to a closed-pouch line and they had no railway post-office service—and sometimes you may have a train in the morning on which they will work the mail along the route, and then in the afternoon a closed-pouch dispatch—but if on a given line that had no railway post-office service and only closed-pouch service, we required that the postmaster in every instance must pouch upon every office along that line for which he had mail, even for a single piece of mail.

Senator HARDWICK. That has been your last order on the subject. Now there was a great deal of complaint along that line at first. You think you have met that in that way? How recent has that been done?

Mr. PRAEGER. That was done in the midst of these changes last year.

Senator HARDWICK. You didn't do that at first. I don't think you did.

Mr. PRAEGER. I can get the date of that.

Senator FRANCE. In my own State, which is exactly such as that described by the Senator, information has come to me within the last two months, practically, of cases where the whole system of distribution of a county's mail has been disorganized by substituting the closed-pouch plan for the railway postal service.

Mr. PRAEGER. Do you recall what place it was, Senator?

Senator FRANCE. Kent County, Md., between Chestertown and—I can not recall the other terminal now. I took it up with the department, trying to have the railway post-office service restored.

Senator SWANSON. Now, when you had this immense number of pouches, who distributed those pouches?

Mr. PRAEGER. The baggage-master, or the expressman, or the railway employee on the train.

Senator SWANSON. Did you give him any extra compensation for doing that?

Mr. PRAEGER. No, we did not.

Senator SWANSON. Now, when these pouches got to the post office, who delivered them to the postmaster?

Mr. PRAEGER. If it is beyond the 80-rod limit, of course the Post Office Department did. If it was within the 80-rod limit, the railroad station agent would deliver it to the postmaster.

Senator SWANSON. Now, have you made an estimate as to what extent lines less than 50 miles have had their compensation reduced by this new classification?

Senator HARDWICK. You mean the short lines.

Senator SWANSON. Yes.

Mr. PRAEGER. Less than 50 miles?

Senator SWANSON. Yes.

Mr. PRAEGER. No; but I can have it made and insert it.

Senator SWANSON. Will you have made for us the railway pay for railways of 50 miles and less, the aggregate, prior to this new classi-

fication, and then the pay that you pay them under this new classification, for railroads less than 50 miles?

Mr. PRAEGER. Yes.

(The desired information is shown in the tables below.)

Table showing comparison of the annual rate of compensation for railroad transportation of the mails by companies in effect Oct. 3, 1916, under weight basis of pay of Nov. 1, 1916, when the space basis became operative, and rate of pay in effect Feb. 15, 1918.

RAILROADS 50 TO 100 MILES IN LENGTH.

Railroad company.	Mileage.	Pay Oct. 31, 1916.	Pay Nov. 1, 1916.	Pay Feb. 15, 1918.	Net increase.	Net decrease.
Abilene & Southern Ry. Co.	97.07	\$4,030.90	\$4,469.38	\$4,469.38	\$438.48	
Atlanta & St. Andrews Bay Ry. Co.	85.44	6,829.59	5,785.52	5,720.88		\$1,108.71
Augusta Southern R. R. Co.	82.88	5,932.44	9,455.08	5,554.98		497.46
Beaumont, Sour Lake & Western Ry.	90.60	4,875.60	10,879.45	9,156.18	4,280.58	
Bellingham & Northern Ry. Co.	50.14	3,580.29	1,238.65	767.99		2,821.40
Birmingham & North Western Ry. Co.	50.39	2,671.17	6,289.28	3,774.30	1,103.13	
Central Indiana Ry. Co.	62.72	2,949.09	3,657.81	3,607.76	658.67	
Chicago, Detroit & Canada Grand Trunk Junction R. R. Co.	59.41	14,019.57	14,409.74	8,550.03		5,469.54
Chicago, Memphis & Gulf R. R. Co.	53.17	2,909.46	3,776.56	3,550.38	640.92	
Cincinnati, Saginaw & Mackinaw R. R. Co.	53.39	7,349.13	7,097.78	7,187.21		161.92
Cleveland Terminal & Valley R. R. Co.	76.52	10,809.55	8,692.59	8,688.39		2,121.16
Columbia, Newberry & Laurens R. R. Co.	75.00	9,212.29	7,471.37	7,471.37		1,740.92
Copper Range R. R. Co.	78.07	8,695.82	8,187.36	4,276.84		4,418.98
Danville & Western Ry. Co.	82.82	6,213.63	9,736.16	8,788.10	2,574.53	
Delaware & Northern R. R. Co.	54.53	2,344.66	3,020.08	3,020.08	671.42	
Duluth, Missabe & Northern Ry. Co.	84.14	13,883.94	22,658.96	17,392.96	3,509.02	
Durham & Southern Ry. Co.	59.46	2,670.30	3,771.46	3,771.46	1,121.16	
Farmers Grain & Shipping Co.	66.37	4,199.22	3,744.84	779.70		3,419.52
Gainesville Midland Ry.	74.77	3,591.77	10,839.10	2,630.91		940.89
Galveston, Houston & Henderson R. R. Co.	50.28	9,373.70	8,061.64	3,577.12		5,796.58
Georgia Coast & Piedmont R. R. Co.	98.92	4,989.52	6,228.52	5,353.56	594.04	
Georgia Northern Ry. Co.	68.47	4,858.63	4,866.26	1,818.11		3,040.52
Hawkinsville & Florida Southern Ry. Co.	96.12	4,109.13	5,027.96	2,231.12		1,878.01
Illinois Southern Ry. Co.	88.71	9,187.48	11,700.19	10,799.02	1,611.54	
Jonesboro, Lake City & Eastern R. R. Co.	86.42	4,902.15	4,454.72	4,871.46		31.69
Kansas Southwestern Ry. Co.	61.67	2,636.39	3,568.32	735.58		1,970.81
Lake Charles & Northern R. R. Co.	73.60	3,517.73	5,145.62	1,492.63		2,035.10
Leavenworth & Topeka Ry. Co.	56.16	1,984.07	3,808.16	249.74		1,734.33
Lehigh & Hudson River Ry. Co.	63.24	3,460.49	4,382.68	4,403.59		943.10
Macon, Dublin, and Savannah R. R. Co.	92.45	8,299.23	10,120.82	9,711.52	1,412.29	
Marshall & East Texas Ry. Co.	74.66	4,044.92	4,231.68	(1)		
Maryland & Pennsylvania R. R. Co.	78.43	6,132.05	9,347.93	8,753.41	2,621.36	
Maryland, Delaware & Virginia Ry. Co.	99.22	5,376.40	5,749.18	4,845.10		531.30
Mississippi River & Bonne Terre Ry.	53.98	5,260.48	6,628.89	6,752.79	1,492.31	
Munising, Marquette & Southeastern Ry. Co.	96.14	5,329.00	4,773.62	4,773.62		555.38
New Orleans, Fort Jackson & Grande Isle R. R.	59.71	4,288.37	4,331.00	1,553.46		2,734.91
New York & Pennsylvania Ry. Co.	56.77	3,397.68	4,227.52	843.24		2,554.44
Northern Alabama Ry. Co.	96.95	9,787.58	11,119.91	7,295.99		2,491.59
Pacific & Idaho Northern Ry. Co.	89.92	9,379.55	4,491.41	4,673.31		4,706.24
Pacific Coast R. R. Co.	58.12	2,325.78	5,064.27	966.70		1,359.06
Pacific Coast Ry. Co.	67.25	4,484.90	4,709.09	4,709.09	224.19	
Harris & Mt. Pleasant R. R. Co.	52.08	3,339.36	3,315.36	3,315.36		24.00
Pontiac, Oxford & Northern R. R. Co.	100.23	11,140.56	17,246.04	10,053.24		1,107.32
Richmond, Fredericksburg & Potomac R. R. Co.	79.86	97,779.27	104,220.18	153,408.91	55,629.64	
St. Johnsbury & Lake Champlain R. R. R. R. Co.	95.91	8,457.25	15,790.96	9,380.87	923.62	
St. Louis & Hannibal Ry. Co.	86.17	10,399.18	11,484.84	11,484.84	1,085.66	
Savannah & Northwestern Ry.	97.15	4,900.24	9,976.34	2,284.30		2,615.94
Sierra Ry. Co. of California.	57.49	8,262.50	6,940.30	6,940.30		1,322.20
Southern Georgia Ry. Co.	81.60	5,444.57	5,548.18	5,469.54	24.97	
Sumpter Valley Ry. Co.	81.56	11,505.66	5,942.63	4,742.38		6,763.28
Tacoma Eastern R. R. Co.	74.01	6,158.65	6,082.44	5,119.39		1,039.26
Tallulah Falls Ry. Co.	92.74	4,541.04	3,988.56	3,988.56		552.48
Tennessee, Alabama & Georgia R. R. Co.	57.23	4,652.53	4,744.19	4,744.19	91.41	
Tidewater & Western R. R. Co.	93.21	3,988.14	3,787.44	(7)		
Toponah & Goldfield R. R. Co.	96.87	13,286.86	8,782.40	6,841.96		6,424.88
Tremont & Gulf Ry. Co.	67.92	2,921.95	4,513.48	726.02		2,193.93
Virginia & Truckee Ry. Co.	52.56	7,415.70	5,690.99	5,797.44		1,618.26
Virginia-Carolina Ry.	79.12	3,564.42	4,384.95	4,334.92		770.60

¹ Discontinued Aug. 14, 1917.

* Discontinued Sept. 30, 1917.

Table showing comparison of the annual rate of compensation for railroad transportation of the mails by companies in effect Oct. 3, 1916, etc.—Continued.

RAILROADS 50 TO 100 MILES IN LENGTH—Continued.

Railroad company.	Mileage.	Pay Oct. 31, 1916.	Pay Nov. 1, 1916.	Pay Feb. 15, 1918.	Net increase.	Net decrease.
Wabash, Chester & Western R. R. Co.	64.83	\$3,602.60	\$4,204.98	\$3,731.98	\$129.38	
Wabash, Pittsburgh Terminal Ry. Co.	59.82	4,273.21	3,519.42	3,589.79		\$683.42
Wadley Southern Ry. Co.	53.18	5,268.25	5,697.29	2,952.80		2,315.45
Winston-Salem Southbound Ry. Co.	90.20	7,168.46	12,468.18	9,039.01	1,870.55	
Yosemite Valley R. R. Co.	78.52	10,136.93	4,899.16	4,349.68		5,787.25
Zanesville & Western Ry. Co.	70.85	4,172.26	6,521.04	6,546.04	2,373.78	
Total.....	4,771.19	476,267.36	537,578.84	468,632.56	86,025.95	87,268.69
Average.....	74.55					

RAILROADS LESS THAN 50 MILES IN LENGTH.

Abilene & Rockfish R. R. Co.	45.13	\$1,967.66	\$3,437.85	\$1,071.03		\$896.63
Ahnakee & Western Ry. Co.	34.35	4,640.34	4,175.19	4,108.61		531.73
Alabama & Mississippi R. R. Co.	42.25	2,580.67	3,727.90	3,613.39	\$1,032.72	
Arkansas Central R. R. Co.	46.10	3,620.81	3,031.76	3,031.76		589.05
Arkansas Western Ry. Co.	32.20	2,147.41	2,996.49	548.06		1,599.35
Big Fork & International Falls Ry. Co.	33.76	2,511.06	3,257.60	1,327.18		1,183.88
Bloomsburg & Sullivan R. R. Co.	29.95	1,732.65	5,025.54	1,203.86		528.79
Blue Ridge Ry. Co.	41.50	4,399.83	7,848.04	5,005.40	605.57	
Bridgeton & Saco River R. R. Co.	21.76	1,562.79	4,499.42	743.78		819.01
Brownwood North & South Ry. Co.	20.43	818.59	348.32	348.32		470.27
Burro Mountain R. R. Co. (E. P. & S. W. R. R. Co.)	12.78	546.34	231.18	228.34		318.00
Canadian Northern Ry. Co.	43.84	4,310.34	3,018.82	1,648.22		2,662.12
Canadian Pacific Ry. Co.	20.81	5,805.20	7,783.11	5,516.04		299.16
Cape Charles R. R. Co.	6.65	453.99	451.07	335.24		118.75
Cape Girardeau Northern Ry. Co. (discontinued)	47.78	5,034.28	4,560.37	1,513.77		3,520.51
Carolina Clinchfield & Ohio Ry. of South Carolina	18.06	1,158.00	2,453.94	1,521.02	363.02	
Central R. R. Co. of Pennsylvania	28.03	1,198.28	2,816.41	(1)		
Chesapeake Beach Ry. Co.	28.66	2,009.35	2,897.90	851.20		1,158.15
Chesapeake Western Ry.	40.75	2,403.84	3,321.70	917.70		1,486.14
Chicago, Kalamazoo & Saginaw Ry. Co.	45.10	3,431.65	5,891.88	1,159.96		2,271.69
Cincinnati, Lebanon & Northern Ry. Co.	29.62	2,608.33	3,267.27	1,360.44		1,247.89
Coudersport & Port Allegany R. R. Co.	39.37	2,558.26	5,512.54	961.11		1,597.15
Cripple Creek & Colorado Springs R. R. Co.	41.17	3,766.23	2,533.24	2,288.17		1,478.06
Cumberland & Pennsylvania R. R. Co.	32.28	2,867.77	5,307.71	3,210.43	312.66	
Dayton & Union R. R. Co.	47.20	3,973.35	4,314.88	4,306.28	332.93	
Denver, Boulder & Western R. R. Co.	33.61	2,340.83	3,491.27	1,029.54		1,311.29
Eastern Kentucky Ry. Co.	36.52	1,791.31	2,940.91	2,941.34	1,150.03	
East Tennessee & Western North Carolina R. R. Co.	34.67	3,206.04	4,722.26	4,936.91	1,730.87	
Fonda, Johnstown & Gloversville R. R. Co.	35.87	3,109.90	6,829.30	3,034.37		75.53
Fort Smith, Subiaco & Eastern R. R. Co.	13.71	604.91	1,169.12	1,169.12	564.21	
Frankfort & Cincinnati Ry. Co.	41.36	2,758.29	3,350.34	1,089.72		1,668.57
Franklin & Pittsylvania R. R. Co.	37.40	1,598.85	2,656.74	2,656.74	1,057.89	
Gettysburg & Harrisburg Ry. Co.	25.41	2,710.21	4,858.87	2,587.68		122.53
High Point, Randolph, Ashboro & Southern R. R. Co.	27.89	2,623.05	3,005.80	3,205.80	582.75	
Houston & Shreveport R. R. Co.	41.12	6,719.79	8,611.32	8,611.32	1,891.53	
Huntingdon & Broad Top Mountain R. R. & Coal Co.	44.14	4,570.69	6,754.58	5,230.64	659.95	
Iberia & Vermilion R. R. Co.	15.55	954.00	681.08	608.28		345.72
Kewaunee, Green Bay & Western R. R. Co.	36.70	5,224.44	3,823.86	3,774.52		1,449.92
Liville River Ry. Co.	13.63	618.93	1,038.46	930.06	311.13	
Mackinac Transportation Co.	8.83	1,788.66	1,779.56	1,670.05		118.61
Midland Terminal Ry. Co.	40.85	2,622.28	3,249.22	1,247.78		1,374.50
Mineral Range R. R. Co.	14.02	3,358.53	5,036.01	3,844.64	476.11	
Mongahela Ry. Co.	42.48	3,234.58	5,836.75	6,978.66	2,744.08	
Montpelier & Wells River R. R.	49.69	3,278.00	8,583.17	7,891.43	4,613.43	
Morgantown & Kingwood R. R. Co.	48.10	3,619.04	6,167.75	6,167.75	2,548.71	
Natchez & Southern Ry. Co.	2.70	290.87	848.26	857.13	566.26	
New Jersey & New York R. R. Co.	41.99	4,115.24	9,549.11	7,361.05	3,245.81	
Northwestern R. R. Co. of South Carolina	41.49	2,959.15	4,124.29	1,761.41		1,197.74
Ohio & Kentucky Ry. Co.	39.90	1,811.86	5,544.30	4,498.42	2,686.56	
Perkiomen R. R. Co.	42.72	3,411.34	6,691.68	4,700.81	1,289.47	

¹ Discontinued Sept. 30, 1917.

Table showing comparison of the annual rate of compensation for railroad transportation of the mails by companies in effect Oct. 3, 1916, etc.—Continued.

RAILROADS LESS THAN 50 MILES IN LENGTH—Continued.

Railroad company.	Mileage.	Pay Oct. 31, 1916.	Pay Nov. 1, 1916.	Pay Feb. 15, 1918.	Net increase.	Net decrease.
Philadelphia, Newtown, & New York R. R. Co.	20.46	\$1,486.82	\$3,342.22	\$1,121.71	.....	\$365.11
Pierre & Fort Pierre Bridge Ry. Co.	2.36	423.65	665.83	(1)	.....	.....
Pine Bluff & Arkansas River Ry.	25.82	1,103.80	373.95	373.95	.....	729.85
Pittsburgh, Lisbon & Western R. R. Co.	25.25	1,403.14	4,400.76	2,300.38	\$797.24	.....
Potomac, Fredericksburg & Piedmont R. R. Co.	38.15	1,663.34	2,684.90	2,684.90	1,021.56	.....
Raleigh & Charleston R. R. Co.	41.38	1,768.99	2,806.22	545.04	.....	1,223.95
Reading & Columbia R. R. Co.	36.75	4,067.25	5,582.62	4,741.96	674.71	.....
Rio Grande, El Paso & Santa Fe R. R. Co.	19.89	2,652.92	2,909.92	1,278.81	.....	1,374.11
Sandy River & Rancely Lakes R. R.	47.26	3,944.35	5,928.51	2,642.57	.....	1,301.78
Savannah & Statesboro Ry. Co.	32.75	1,539.90	2,273.88	550.26	.....	989.64
Shreveport, Houston & Gulf R. R. Co.	10.65	386.88	248.51	248.51	.....	138.37
Southern Ry. Co. in Mississippi	20.21	1,322.25	778.24	720.72	.....	601.53
Sunset Ry. Co.	49.41	5,605.58	3,117.52	1,032.17	.....	4,573.41
Susquehanna, Bloomsburg & Berwick R. R. Co.	23.33	1,196.82	4,256.52	751.12	.....	445.70
Tampa Northern R. R. Co.	49.34	3,507.58	4,448.33	1,962.93	.....	1,544.65
Tennessee Ry. Co.	31.63	1,766.42	2,865.96	845.14	.....	921.28
Tuckerton R. R. Co.	29.37	1,923.40	3,458.24	3,458.24	1,534.84	.....
Union Transportation Co.	25.61	1,505.24	2,491.99	1,957.66	452.42	.....
Washington & Vandemere R. R. Co.	40.69	1,858.23	2,780.30	538.66	.....	1,319.67
Washington, Idaho & Montana Ry. Co.	47.02	3,055.35	3,318.36	3,318.36	263.01	263.01
Washington Southern Ry. Co.	35.57	45,036.95	57,997.37	71,818.76	26,781.80	.....
Waynesburg & Washington R. R. Co.	98.73	3,340.72	5,798.62	3,680.66	339.94	.....
Weatherford, Mineral Wells & N. W. Ry. Co.	41.45	3,543.97	1,024.13	1,308.13	.....	2,235.84
Wilmington, Brunswick & Southern R. R. Co.	30.40	1,793.29	911.69	911.69	.....	881.60
Williamsport & North Branch R. R. Co.	44.40	2,980.56	6,324.05	1,487.59	.....	1,492.67
Williams Valley R. R. Co.	11.56	618.09	1,517.63	1,517.63	899.54	.....
Wiscasset, Waterville & Farmington Ry. Co.	44.62	2,318.12	2,924.16	2,924.16	606.04	.....
Yadkin R. R. Co.	41.07	3,382.49	4,325.11	3,428.78	44.29	.....
Total.....	2,633.81	242,663.91	343,809.58	252,653.16	62,181.08	50,569.90
Average.....	32.48	.....	.....	.....	.....	.....

¹ Discontinued Jan. 31, 1917.

Senator SWANSON. Have you had any railroads, since this new classification, to stop operating, close up, so there was no further railroad service?

Mr. PRAEGER. I don't believe that any railroad has stopped operating on account of the loss of the mail. The railroads have always insisted that this was confiscatory business for them, but really I don't think a railroad has stopped for that purpose alone. Reduction in mail pay may have entered into its revenues, which induced a small line to stop.

Senator SWANSON. What do you think under this new rule is a comparison between the amount paid roads in excess of 50 miles and those under 50 miles?

Mr. PRAEGER. I have here the amount that we paid out in the closed-pouch service. The closed-pouch service on November 1, which was the day the space basis went in—in 1916—covered 106,551,870 miles. Then, at the beginning of this fiscal year, by reason of changing from apartment car to closed pouch and throwing this additional on the railroads, the closed-pouch service at the beginning of this fiscal year was 108,497,643 miles, an increase of 1,945,773 miles of service during the year. Now, that is about 1 per cent, I take it—a little less than 1 per cent—is the increase of this

closed-pouch service on the railroads since the space basis went in up to the beginning of this fiscal year.

The CHAIRMAN. You mean on the whole system?

Mr. PRAEGER. All over the United States.

Senator HARDWICK. That can not represent any very considerable economy, does it?

Mr. PRAEGER. No; that doesn't enter into the economy to amount to anything. Where the big economy came in was in the plan of the committee in fixing the service pay at 21 cents a mile, and then so much a trip for initial and terminal charge. The day that the space went in I think the Southern Pacific pay was reduced \$334,000.

Senator WEEKS. That was the annual reduction?

Mr. PRAEGER. Yes, sir; at the annual rate. All transcontinental lines suffered heavily. The eastern lines, or the shorter lines going through a populous territory where they would have 10, 12, or 15 train services in the course of a day, naturally increased.

Senator HARDWICK. I think, Mr. Praeger, if you will pardon me, you are talking about one thing and that I at least—and I think most of the committee—are thinking about another. I am not thinking about this change from weight to space, but I am thinking about this policy of reorganization which your bureau put on the country, by which you took off practically all of the railway mail cars and railway mail clerks on these short lines.

Mr. PRAEGER. It seems to me they are intimately connected. You said that was not so much of a saving, and I was showing that the savings were on the big lines.

Senator HARDWICK. But why on the little ones? If it didn't amount to any more than this, I don't see how you saved much. I know your savings came from railway mail pay and other items you referred to.

Mr. PRAEGER. We reduced 223 apartment-car routes to closed-pouch routes.

Senator HARDWICK. How much did you save by that?

Mr. PRAEGER. It is \$1,031,953 that was saved on that.

Senator HARDWICK. On that proposition?

Mr. PRAEGER. Yes.

Senator HARDWICK. Now, haven't you impaired the service—the efficiency—the promptness of the service to the public in doing that?

Mr. PRAEGER. I don't think we have.

Senator HARDWICK. You don't think so?

Mr. PRAEGER. Not by reason of these changes on the closed pouch.

Senator HARDWICK. Let me illustrate now the complaints I am getting. I will illustrate that with a concrete case, so you can answer it, if you can. We will take the Wrightsville & Tennille Railroad, which begins up in the county of Washington, where I live, and goes down to Hawkinsville and Tennille—probably 80 miles. We used to have a pretty complete railway mail service on that route—I think maybe twice a day. You have taken that off entirely, or is that once a day now?

Mr. WILLIAM I. DENNING (General Superintendent Railway Mail Service). We have railway postal service on that line once a day each way.

Senator HARDWICK. Well, now, the people in the towns along that route complained that if they write letters from one little station

to another on this little road that they had to be carried to the terminus, or something like that, and brought back, and I don't know—there is a lot of complaint that the interchange of mail along that little route is not nearly as good—has been impaired and that you have not saved anything that compensates for it at all.

Mr. PRAEGER. That is not the case. If there is no other R. P. O. train between those points, if it was all closed-pouch service, the postmasters, unless they fail to carry out their instructions, are to make a pouch from station to station, and not carry to the end of the terminal and then come back.

Senator HARDWICK. Or unless the brakemen, who don't get any extra pay for it, and don't do their duty properly. Unless the railroads, who feel like they have lost a lot of money, don't do it properly, of course, it would work all right. But, of course, when we exact all these services we don't get the same service that you do out of your own employees, and in the case I have cited the mail between these little way stations would wait for the train that does still carry a postal clerk. That is what happens, isn't it, Mr. Denning, which might result in the mail being delivered the next day, but the people along these little thriving towns feel that they are entitled to a quicker service with each other.

Mr. PRAEGER. I don't recall that particular case. Mr. Denning can analyze that case. I don't recall it.

Senator FRANCE. Mr. Praeger, I desire to ask you a question here. I have had complaints from two sources, first from friends in the Railway Mail Service—I have a number in that service—who have complained that owing to the fact that men had been removed from the service, their work has been heavier. I have also had a number of complaints to the effect that the service has been curtailed; and I wondered of course whether there was a basis for such statements. Some testimony given before the committee the other day disclosed the very startling fact that in 1914 you had 20,311 railway mail clerks; that in 1917, three years afterward, you had 18,977, a decrease of 1,334, a decrease of between 6 and 7 per cent; that during that time, according to the rough estimates of the department, the mail had increased during the three years—increasing at the rate of 10 per cent a year—30 per cent. In other words, with an increase of mail of 30 per cent, you have decreased the railway mail clerks over 6 per cent. Now that would seem to furnish a substantial foundation for both complaints, the complaints of the clerks that they were overworked, and the complaints of those enjoying the service that they were not being properly served. Either it discloses that fact or it discloses the grossest sort of inefficiency prior to that time.

That decrease in 1,334 clerks would involve a decrease—assuming that each clerk received \$1,000 a year—of \$1,334,000 annually.

Now we are interested, I believe, in ascertaining whether you can, without curtailing the service, very materially decrease the number of railway mail clerks between 6 and 7 per cent—it is nearer 7 per cent than 6—in three years, when during those three years, according to the rough estimates of the department—assuming the normal growth in population, etc.—the business has increased 30 per cent.

Now those are startling figures, and I should like to have your views on them.

Mr. PRAEGER. The answer is this: That the service was woefully overmanned when we made these reductions. When the parcel post came in, dating—I don't recall how far back your figures go.

Senator FRANCE. The figures submitted went back some years. I arbitrarily took 1914 to 1917, going back three years.

Mr. PRAEGER. In a general way, when the parcel post was inaugurated, the postal authorities as well as the postmasters all expected an immense amount of business. The superintendent of the Railway Mail Service opened terminals to handle this business, to relieve the lines everywhere. A large number of those terminals had to be abolished because of this mistaken judgment. The department had overplayed safe. I think in a single year the superintendent of the Railway Mail Service in anticipation or expectation of the increase of business authorized an immense number of clerks—my recollection is in excess of 1,000 clerks. The result was that the lines and the terminals were overmanned and that there were terminals there that were not needed to work the mails. There was a mistake of judgment, largely, on the part of Mr. Stephens, then Superintendent of the Railway Mail Service.

Senator SWANSON. I understand your contention is that in anticipation of the greatly increased work occasioned by the parcel post, they called for a great many more clerks than were needed?

Mr. PRAEGER. Absolutely.

Senator SWANSON. And that was the large increase of 1914. Was there a large increase of clerks then?

Mr. PRAEGER. In 1912 and in 1913.

Senator SWANSON. And, then, that the work of the office, as it developed, did not justify the increase, and you reduced them?

Mr. PRAEGER. Yes. Now, in order to take care of the excess number of clerks that were put in, we have found cases like this: They would call a crew three hours or four hours before it had to go, and give them that much advance time to justify—say whatever it was, a five or a six crew organization—when without this, calling them that much sooner—without that advance time—perhaps only a three-crew organization would be justified. That, on a big line, would sometimes involve 50 or 60 or a great many more men. They would do another thing also, Senator, to justify keeping the men in the jobs—it is a cold-blooded thing, it is a hard thing to do—to turn men off from their bread and butter—and the easiest way out of it was to find jobs someway. They would create overlapping runs between two points, and on that overlap, maybe for 40, 50, or 60 miles, the two crews would simply ride without having any work to perform, and that would justify the employment of a large number of men. Now, we have cleaned out a lot of such cases.

Senator WEEKS. Let me take a concrete case, that I think would be an illustration of what you are saying, and that is on the Boston & Albany route. On that route, if I understand it correctly, you have provided that the men shall work six days on and lay off three days, instead of as heretofore working six days and laying off six days, thereby saving a considerable number of men. Now, in that case, there was complaint made at Boston that the mail is not distributed before it gets in; that the men are overworked; that some of the men have resigned; that one or two of them have even died as

a result, perhaps, of overwork. Now do you know about that case? Did the superintendent of that district recommend that?

Mr. PRAEGER. That Boston & Albany reorganization was made after an investigation by inspectors and by an investigation of the superintendent of that division, who had his own theory—who had a theory of a reorganization that differed from the inspector's; but both of them presented a reduction in men and in space.

Senator WEEKS. Did the chief clerk refuse to sign the recommendation?

Mr. PRAEGER. I don't know about that. It would not have mattered if he had refused to sign it.

Senator WEEKS. Was he transferred?

Mr. PRAEGER. We could get no cooperation to the extent that we thought we should have, and we put Mr. Lincoln, of Albany, who is familiar with the line, in charge of that district. Yes; we transferred a man named Canfield, a Democrat, chief clerk of that division, who was not cooperating with the department, and we sent him out to Chicago, as I recall it.

Senator WEEKS. Was he transferred because he said that his change could not be made without impairing the service?

Mr. PRAEGER. No, sir; he was not. He appealed to me always as a rather slow man.

Senator WEEKS. We used to think that he was rather a fast man when he was at the head of the organization.

Mr. PRAEGER. He may have been a good man at the head of the organization, and he may not, when left to his own initiative in the Railway Mail Service, have made good.

Senator WEEKS. I have a feeling that the complaint still remains that there is much undistributed mail on that route, which is a very important one, of course, and that it is due to this change; and that the change was not recommended by the superintendent, and that the chief clerk refused to join in it and protested against it, and was reduced in salary and transferred to the West for that reason.

Mr. PRAEGER. Oh, no; there are a number of chief clerks that will oppose a reduction, and we respect their judgment on it, though we may not follow it.

Senator WEEKS. He was transferred and his salary was reduced?

Mr. PRAEGER. No; his salary was not reduced. He was transferred to Chicago as chief clerk. He was chief clerk in Boston, and he was transferred to Chicago as a chief clerk there. The superintendent said he had worked with him, and he thought that under his direction and leadership he would do better in the sixth than he had done in the first division.

Senator WEEKS. Now, what pay will he receive as chief clerk in that district, or connected with that service?

Mr. PRAEGER. \$2,100, I suppose.

Senator WEEKS. What pay is he getting in Chicago now?

Mr. PRAEGER. \$2,100. He is chief clerk at \$2,100.

Senator WEEKS. Well, I was informed he was getting \$1,200.

Mr. PRAEGER. Well, that is like a lot of information that comes from the boys on the line. They are not always well posted. No; he has not been reduced. He has not suffered a reduction.

Senator WEEKS. Well, now, have you had complaints from that superintendent?

Mr. PRAEGER. Why, when trains run late that will throw mail that should have been worked by one train onto the succeeding train and swamp the crew. That has been true especially in recent months. When this change was made there was a good deal of what was called "stuck" mail on that line. New men were going to new assignments, and they could not work immediately as fast as if they had been operating the assignments right straight along. It takes them a little time to get into the swing of it. It is also true that this so-called "stuck" mail often is only technically "stuck" mail, which does not always imply a delay of the mail to the public. It may be required of a line that the crew must work such and such States and such and such mail, and clean that up. And the clerks may for some reason or other not be able to do that, yet that mail might reach the Boston office, not at a time to make a close connection with a delivery, and it would not delay the mail, although it was supposed to have been worked on the line and is "stuck" mail.

Senator WEEKS. Now, what do the records show about the amount of undistributed mail at the Boston terminal in the last year, compared with the time before this change was made?

Mr. PRAEGER. I think Mr. Denning can give you that.

Senator WEEKS. While Mr. Denning is looking that up, let me ask you this question—a hypothetical one in a sense: What have you got to say about men working in the R. P. O. service 6 days and laying off 3, compared with what they were doing in the past—working six and laying off six? I mean the effect on the men and the effect on the service.

Mr. PRAEGER. That does not affect the amount of work that a man does, if his average hours per week or per month are not greatly extended. If a clerk has been working an average of whatever it might be, 6 hours and 20 minutes, and through that reorganization it is extended to 6 hours and 27 minutes or 30 minutes, that is not a very grave hardship. It is the average daily hours which count; not his days on and days off.

Senator HARDWICK. When these men worked six days and laid off six, they worked nearly all the time during those six days, didn't they—very long hours in those six days?

Mr. PRAEGER. No.

Senator HARDWICK. I am speaking for the country generally. I don't care any more particularly about one part than the other. I say when these railway mail clerks, as I understood it—I want to be corrected if I am wrong about it—ran a certain given period of time, or during a certain period of time, that meant that during that period of time they had almost as much work as a human being could do, didn't they? And then they rested to make up for it, didn't they? I mean they ran long hours, 12 and 14 hours a day, actual running, for six days while they run?

Mr. PRAEGER. Their work was so laid out that within a given period they would work on a class C of line, say 6 hours and 40 minutes, or whatever it was, throughout the country. For class B line a little more.

Senator HARDWICK. That means that in the six days they did work they would not work but 39 hours?

Mr. DENNING. They might be on duty 12 or 18 hours, continuously.

Senator HARDWICK. The reason I say it is, I have had them tell me that was the case, and I thought it was the truth.

Mr. DENNING. By reorganizing on a three-crew basis they may be on duty instead of 18 hours continuously, say 12 hours or 9 hours continuously. Then they will run six days and have three days off, because they work a day and a half.

Senator HARDWICK. You count nine hours a day and a half work?

Mr. DENNING. Yes; approximately.

Senator HARDWICK. Then, in other words, they have one-third as much rest as they have work, as against half before?

Senator WEEKS. Now, Mr. Praeger, I take it that the committee wants service, and does not want the men to be overworked in order to get that service. That is the whole situation, as far as the committee is concerned.

Now take this Boston & Albany case; have you had more resignations from men serving in that service since this new rule was put into effect than you had before?

Mr. PRAEGER. I don't know.

Mr. DENNING. We do not know. There has been nothing unusual to attract our attention, but we can look it up.

Mr. PRAEGER. Why not let us telegraph up there and find out how many resignations they have had.

Senator WEEKS. Now it is represented to me that there have been materially more resignations.

Mr. PRAEGER. Let us get the facts and put it in the record.

Senator WEEKS. You can put that in the record then.

Mr. PRAEGER. I will do that. (The number of resignations on the Boston & Albany R. P. O. since the reorganization is two.)

The following table shows the resignations for the entire service:

Table showing by grades the number of resignations from the Railway Mail Service for the fiscal year ended June 30, 1917.

Months.	Grades.										Total.
	\$1,800	\$1,700	\$1,600	\$1,500	\$1,400	\$1,300	\$1,200	\$1,100	\$1,000	\$900	
1916.											
July.....		1		1		4	6	2	2	1	17
August.....				4	1	1	4	5	1		16
September.....				7	1	2	7	2		1	20
October.....				1		5	6	4	2		18
November.....	1	1		3		3	12	7	1		28
December.....	1	1		6		3	5	3	3	1	20
1917.											
January.....		1	1	5	1	3	7	3	1		22
February.....		3	1	4	1	2	5	9		2	27
March.....	1	3	1	5	1	6	11	9	1	4	42
April.....	2	2	2	13	2	5	18	8	2	3	57
May.....		3		9	1	3	25	3	2		46
June.....		4	1	14	2	7	16	6	1	1	52
Total.....	5	19	6	72	10	41	122	61	16	13	365

Senator WEEKS. Now, if there is a considerable number of resignations among men receiving \$1,500 to \$1,800 a year, even under present conditions, and especially old employees, it would seem to indicate that the service was more burdensome than it should be. Of course we have these things represented to us, and we have no means of de-

termining whether they are absolutely correct or not. And we must depend on you and your statistics to furnish us the information. But I am very confident that the service on that route is not as good as it was; that there is a very considerable amount of unworked mail almost constantly in the Boston terminal, and that the route is so important that a reduction in the service should no be made which will bring about an impairment of the quality of the service. Now, if it has been done, I think the old service should be restored, and if men are working six hours and laying off three, as has been charged and claimed, or are overworked, I don't think that should be done.

Mr. PRAEGER. I can assure you that the working hours, the average hours of work of these men, unless it is latterly influenced by late train service, where they would have to wait for their trains—which enters into the question—they are working six and a half hours daily average, which is required of them.

Senator SWANSON. What is the present rule now of people that work six days and have three days off? What is the basis upon which you make that classification?

Mr. PRAEGER. Well, to me there is a lot of Chinese puzzle about the technical arrangement of it.

Senator SWANSON. What is the practical effect of it, of the number of hours work and rest? Take the classification you have got where a man works active six days and then you give him three days off. Now, what are the requirements you make for the postal clerk in that classification?

Mr. DENNING. On class C line we endeavor to, so far as practicable, make the daily average hours not over six and one-half.

Senator SWANSON. What is included in that six and a half? Is that the time on the train, or the time he leaves home and gets back home?

Mr. DENNING. It does not include the time from home to the depot. It includes the time in reading orders, the time for advance distribution in the station, the late running of trains, extra trips the clerk may be called upon to make during the year, the time to unload mail at the terminal, the time to take registers to the office, if he has to do that, and the time for making out trip reports, if it is impracticable to make trip reports while he is on duty. That time is totaled for those various items, and it is divided by six in order to get a daily average for the clerk. Of course we use six as a divisor in order to give him credit for Sundays. The schedules are so arranged and men are provided for the line in such numbers that their tours of duty will not average more than six and a half hours on a class C line.

Senator SWANSON. You mean that is 39 hours of continuous work for those six days?

Mr. DENNING. Well, on a run where they run six days on and three off, it would be probably in the proportion of, say, approximately 10 hours of continuous duty.

Senator SWANSON. That would be, then, 60 hours he would work?

Mr. DENNING. He would work for six days 10 hours each day.

Senator SWANSON. That would be 60 hours. Then you would give him three days off. What do you require him to do on the three days off?

Mr. DENNING. He is not required to do any active duty in the Railway Mail Service. He is supposed to rest and keep posted on his schemes of distribution.

Senator SWANSON. Now, the evidence here was that in those three days the work was as hard as it was on the other six days, to keep posted up on these cards. What about that?

Mr. DENNING. Well, we know that there are a number of unusual conditions that have arisen beginning early last fall, because of the demoralized train service; and on some of these runs where they have six days on and three days off the late running of the trains has reduced the time off.

Senator SWANSON. When did you make this change now from six days active service and six days off to six days on and three days off? When was that change made to that classification?

Mr. DENNING. You mean on any particular line?

Senator SWANSON. No; I mean generally.

Mr. DENNING. Well, that always has been the rule on some lines.

Senator SWANSON. Now, what was the condition on the line where you had six active days of work and six off, and to which you have changed now from six active days' work and six off to six on and three off?

Mr. DENNING. Well, they have an average of, say, 12 to 14 hours' continuous duty before they have an opportunity to rest.

Senator HARDWICK. That is a pretty severe strain, isn't it?

Mr. DENNING. I should say it is in some cases. Out West we had cases where clerks were on duty 24 hours to 32 hours before they had rest.

Senator SWANSON. That doesn't answer my question, at least to my mind. Now, it was in evidence before this committee that heretofore on certain roads and classifications, the postal clerk worked six days actively. Then he had six days off; and in that same classification and work now the department has changed it until now they work six days and only get three off. What change did you make in that? When did these changes occur?

Mr. DENNING. That is not true, Senator. They don't mean to give you the impression that they are working the same number of hours that they formerly worked. Their continuous hours of duty, which might have been formerly 12 or 14 hours before they rested, are reduced to, say, 9 hours or 10 hours. This is accomplished largely through reduction of advance distribution in the postal car prior to departure of the train.

Senator SWANSON. The way I understood it—I may have misunderstood the evidence—was that you have reduced the number of hours for six days and made it average about 59 or 60 for the six days, and giving them three days off, instead of having the hours 12 or 14 for the six days and giving them six days off, which would have the same average. Instead of giving them six days to get real tired, you make them less tired by having a shorter run and less hours, and you have not changed the average, have you?

Mr. DENNING. In some cases the average has been increased as much as 10 minutes per day. We had some runs on which the daily average was as low as 5 hours and 45 minutes. In other cases it has resulted in running the average hours of duty up to, say, 6 hours and 10 minutes.

Senator SWANSON. Now, take this Boston & Albany line. They used to run, as I understood from Senator Weeks, six active days and six days off. Now they have changed it from six active days and six off to three off. Now, what is the difference you have made in that classification there?

Senator WEEKS. You mean in the run?

Senator SWANSON. In the run.

Mr. DENNING. They were placed on the six on and three off basis. The daily average is 6 hours and 12 minutes per day, based on six days a week.

Senator WEEKS. Now, Mr. Denning, they tell me that the average is over seven hours a day.

Mr. DENNING. Well, Senator, that probably may be true at the present time, because of the late running trains. We are gathering data at the present time which will show all these delays and extra time that are caused by the late running of trains. On the new organization sheets the clerks will be given credit for the late running of trains and the extra trips they have made.

Senator SWANSON. What is the objection of the department if the railway mail clerks prefer it and the service is more efficient, to let a man take a route and run an additional 10 miles or 11 miles, or whatever is necessary, and complete that till the run ends, like it used to be; and then give them six days off instead of three? Where do you save a number of clerks by that process? Why does the department insist on that if the clerks prefer it and the mail is more efficiently administered, as some claim, the other way? What is the department's reason for making that change in the classification?

Mr. DENNING. Well, a part of the distribution was taken off the line and concentrated in a terminal, where we have a more mobile force for handling it, and a larger force, and it is combined with other distribution. You thereby avoid duplication of distribution, and it is possible to reduce continuous hours of duty by a reduction of the advance work.

Senator FRANCE. Well, the number of clerks, however, given includes the men who work at the terminals? That is to say, I gave a short time ago the number of clerks in the service, and that includes the men at the terminals as well as on the trains, does it not?

Mr. PRAEGER. Yes.

Senator HARDWICK. Now, undoubtedly the object of this change is to require a fewer number of men to do a given amount of work, isn't it?

Senator FRANCE. That is certainly true, Senator. Now, if you will allow me to just refer to these facts again, because these figures, after all, you can not escape from.

Mr. PRAEGER. No; but you can escape from your conclusion that they represented the exact needs of the service at that time.

Senator FRANCE. That is true, Mr. Praeger, but in a large sense these figures, to my mind, prove conclusively—in the absence of sufficient evidence to combat that theory—that two things have happened: That you have increased the load upon the men, and that you have curtailed the service. Now, I am open to conviction.

Mr. PRAEGER. They do not prove that at all.

Senator FRANCE. Now, if you will allow me to refer to your answer previously given, "It is true that between 1913 and 1914 there was a

very great increase in the number of clerks, the number in 1913 being 18,265, and in 1914, 20,311," or an increase of over 10 per cent. That you have already explained, but if we go back to 1913 and make the comparison between the number of clerks in 1913 and the number in 1917 we get exactly the same result. In 1913 there were 18,265, and in 1917 there were 18,977. In four years there was an increase in the number of clerks of 712, or 4 per cent; whereas we must assume that in that time the mail had increased 40 per cent.

The same thing is shown if we go back to 1911. In 1911 there were 17,028 clerks, as compared with 18,977 in 1917. There was an increase in those six years of 849 clerks, or 5 per cent; whereas in five years the volume of mail handled should have increased 60 per cent. Now, in the absence of proof to the contrary, I would be compelled to assume that with only an increase of 5 per cent in the number of clerks between 1911 and 1917, and with an increase of 60 per cent in the volume of mail, that the service had either been curtailed or the men more heavily loaded.

Now, in view of these figures I am getting complaints from the men that their working hours have been increased and from the patrons to say that the service has been curtailed. So I am compelled, in the absence of any very positive evidence to the contrary, to assume, in view of these figures, that both of these things have happened.

Mr. PRAEGER. What do you call very positive evidence? We will furnish you whatever information will bear on it.

Senator FRANCE. Well, it seems to me you have not given any detailed evidence as to the actual number of hours the men worked. That is what we want to get at. We want to know exactly.

Mr. PRAEGER. We can give it to you.

Senator FRANCE. You say there has been no increase in the number of hours at all which the men worked?

Mr. PRAEGER. We say that in some cases there has been an increase, but it is a slight increase.

Senator FRANCE. Well, how do you explain the figures? Is it erroneous to assume that the volume of mail increases at about the rate of 10 per cent a year? How do you explain the fact that between 1911 and 1917 your clerks have increased 5 per cent in number and your volume of mail has increased 60 per cent; and yet at the same time your service has not been curtailed, nor your load of work upon the men increased? How do you explain that?

Mr. DENNING. Senator France, this lack of increase in the number of clerks employed in the Railway Mail Service does not necessarily mean that the same proportion of distribution formerly done is not now being done at all. You do not take into consideration the increase in force that may have been allowed in the post offices.

Senator FRANCE. Yes; of course, that is true.

Mr. DENNING. The clerks in post offices now perform considerable distribution that was formerly done on the lines, where the space is very expensive.

Further than that, the department has conducted with publishers for the last three or four years a campaign of getting them to make up their mail in their publishing plants—distribute it. We furnish them schemes. It was formerly the practice to take their mail

without any separations having been attempted, and we distributed it in cars. It took cars and it took men to perform this distribution. A few years ago Congress enacted a law authorizing catalogue houses to pay their postage in cash. This resulted in increasing the number of circulars sent out. A large number of additional men and space were required, but we succeeded later in getting these houses to make up their catalogues to States and direct packages, and thereby relieved us of that distribution.

It was formerly the practice whenever there were changes of schedule or a cheaper rate could be obtained over another line, the mail was diverted from the line that had been carrying it to the route having better schedule or cheaper rate, but the men on the first line stayed there and new men were appointed to take care of the distribution on other line to which the mail was diverted. The following instance will illustrate: For several years the Santa Fe Railway received a through New York mail, and clerks—48 at one time—were appointed to care for the same. Later a shorter route was established from New York via Toledo, Ohio, and Decatur, Ill., over the Wabash. The mails followed that channel and men were appointed to care for it. No clerks were taken off the Santa Fe. There are a number of instances of that kind.

Prior to two years ago no special effort was made in post offices, either large or small, to make any separation of the mail other than by dispatch. For instance, from the smaller offices the mail was made up "States east," "States west," etc. From the larger offices it was made up a great deal better, but from even these no separation was made of a State mail which could be thrown intact to a line.

Senator FRANCE. Of course, that has a very direct bearing on this question.

Mr. DENNING. In other words, it is the application of more efficient methods that counts. Now, we know that the increase in the number of men employed in the railway post offices—I mean the normal increase—has not been maintained for the last three or four years. We know that the post-office service has had to increase to a slight extent the number of men in the post offices. Now, when you take distribution from the lines and distribute it in post offices where the space is not so cramped and expensive, it does not necessarily mean in every case that the post-office force must be increased the same number of men that are required to do that distribution on the road, because it is consolidated with other distribution and duplication of distribution is avoided. It fills in in dead time between trains. The men in the post offices might otherwise be idle for a part of the time. Of course, a large economy is effected through the distribution of circulars and parcel-post mails in the terminal R. P. O. in dead time between trains.

Summing up, it may be stated that the department's being able to reduce the clerical force instead of increasing in proportion to the increase in mails, is, in part, attributed to the following:

First, the success which met the department in its efforts toward the making up of mail in a proper manner by publishers and large advertisers.

Second, the present policy of having all post offices, large and small, make up their mail into directs in so far as possible on the first handling.

Third, the distribution of mail in terminals instead of letting it lie idle on a platform until the arrival of a mail train.

Fourth, the practice of shifting the clerical force to meet the needs of the service.

Senator WEEKS. Now, Mr. Denning, here is a statement made by Mr. Fred Fessler in the Oklahoman, Oklahoma City, under date of the 3d of February. It reads as follows [reading]:

That no clerk is given an assignment requiring him to work more than an average of eight hours a day, six days a week, can be refuted by hundreds of clerks over the country. There is absolutely no limit to the number of hours a clerk is required to work. On 24 trips in Frisco train No. 407, between December 8, 1917, and January 21, 1918, a little over 30 days, the clerks were on duty more than 20 hours continuously. Seven trips during this period the clerks were on continuous duty more than 24 hours, and in some cases the clerks have been required to make return trip with from 1 to 4 hours' sleep. The same men were relieved after 16 hours of duty by Federal law, but the clerks are not relieved until they reach the end of their run. Trainmen are paid overtime, but the clerks do not get a cent. There is no law or agreement by which clerks can get pay for overtime.

Mr. DENNING. That clerk knows that to a person outside the service that statement is misleading. It may be true that he has had 24 hours' continuous duty, but his scheduled tour of duty may be 12 hours. His train may be late 12 hours. Through the late running of trains he may be on duty 24 hours, but that is an abnormal condition, and on the new organization sheets for the succeeding year he will be given credit for such overtime.

Senator WEEKS. Now let me take that particular case, if that is a six day on and six day off train—I don't know whether it is or not.

Mr. DENNING. I don't think it is.

Senator WEEKS. What do you think it is?

Mr. DENNING. Probably four on and four off.

Senator WEEKS. That is the same thing then. If they work 20 hours a day for 4 days, that would be 80 hours. And then, in the 8-day period they would actually work 10 hours a day?

Mr. DENNING. Yes, sir.

Senator WEEKS. In addition to their study period and home work. Now, certainly the practice of the department, if not the law, prevents R. P. O. clerks from working over eight hours, doesn't it?

Mr. DENNING. There is nothing that prevents them from working over eight hours in any one day, provided the daily average is not greater than eight hours. What is going to be the basis of the eight-hour day? Is it going to be made on the week, or is the average to be taken for the year? In the Railway Mail Service we have always taken the average for the year, unless some abnormal changes occur, and then such readjustment as may be necessary is made in order to take cognizance of unusual hours in the daily average without waiting until the end of the year.

Senator SWANSON. You mean if he works 12 hours more on that trip for those days during the year, you will give him the rest—even it up?

Mr. DENNING. We make up a new organization sheet at the end of the year, and he will be given credit for those 12 hours.

Senator SWANSON. That he was detained on that train on account of its being late?

Mr. DENNING. Yes.

Senator SWANSON. You mean before the year is out the rest will be made up to him, to make up for the delay of these trains?

Mr. DENNING. Yes, sir.

Senator WEEKS. Now, for class C men, who, as I recall it, work six hours and a half. Is that correct?

Mr. DENNING. Yes, sir.

Senator WEEKS. And if he works 10 hours he gets credit for that $3\frac{1}{2}$ hours before the end of the year at some time, some period, does he?

Mr. DENNING. Yes, sir; usually three days' layoff during the ensuing week.

Senator SWANSON. If you can fix it by the week, you fix it by the week; but before the year is out do you always even this up?

Mr. DENNING. The organization sheet is made up at least once a year. This organization sheet shows on it the time required for all the various duties that he is called upon to perform, including time that he spends in reading orders in the transfer room before he goes to his car, the time he is engaged in advance distribution, the scheduled running time of the train, the time required for unloading mail at the other end of the line, the time for taking registers to the post office; the total time for the late running of trains for the whole year, the total time of extra trips that he has to make through emergency and where we could not provide a substitute—all this is added together, and it is reduced to a weekly basis and divided by six to get a daily average. This average maintains for the next year. In other words, he is getting credit during the next year for this overtime he may have put in in the preceding year.

Senator SWANSON. You mean that you fix up an organization next year based on that, and reduce the number of hours?

Mr. DENNING. Yes, sir. Although it might work out that his actual daily average might be less than five hours or might be five hours, he would be given credit for six and a half hours, based on the overtime that he made in the preceding year.

Senator SWANSON. Well, it is evident that he can never have any shortage, because trains never run ahead of time; consequently there is no chance of his ever having a shortage of the time he works, but there is a chance all the time of his having overtime, because trains usually run a little behind. Now he doesn't get any credit except in the next year. Next year do you fix him on a basis that allows him less than the train runs?

Mr. DENNING. No, sir. He is given credit the next year for more time than necessary for all the various duties in order that he may get credit for the overtime the previous year.

Senator SWANSON. For instance, suppose the train runs on time all the time next year—not behind, like it was this year—does he have time less next year than the regular schedule fixed?

Mr. DENNING. We may give him credit for a daily average of $6\frac{1}{2}$ hours, but he may actually be on duty a daily average of only 5 hours and 45 minutes.

Senator SWANSON. Instead of 6 hours and 30 minutes?

Mr. DENNING. Yes, sir.

Senator SWANSON. Now, could you arrange to give him credit for this year for overtime or something, so that he would not have to live

next year in order to get it? Is there no way that you can arrange to give it to him in that way?

Mr. DENNING. We have never had such demoralized train service that so seriously affected the service until last fall.

Senator SWANSON. Could you fix up some way so that these people could be paid each month, or six months, or three months, during the year for their overtime by giving them time off?

Mr. DENNING. We are considering a number of lines now with a view to give relief because of the abnormal conditions due to the late running of trains.

Senator HARDWICK. Let me see if I can get an understanding of another phase of this thing. Now, take the run Atlanta to Savannah, Ga., right through the heart of middle Georgia. That is a 10-hour run practically—just about 10 hours. Does a man make that run, according to this plan of yours, six days in succession?

Mr. DENNING. Four days on and four days off.

Senator HARDWICK. Then you haven't changed that?

Mr. DENNING. No, sir.

Senator HARDWICK. In other words, he still gets half the time rest?

Mr. DENNING. Yes, sir.

Senator HARDWICK. So it depends on how long the road is whether you apply one system or the other?

Mr. DENNING. In other words, where the continuous hours of duty would be considerably over 12 we regard it as overtaxing the physical strength of the clerk to require him to work 18, 24, or 32 hours before resting, as was the case on a number of lines prior to the reorganization.

Senator HARDWICK. That is why I have asked you about that case. I knew about that. Why did you change that from a six-six to a four-four?

Mr. DENNING. The Atlanta to Savannah run has always been on a four-on and four-off basis. Whether a run is a four-four, a six-six, or two-two depends on the schedule of trains and the convenience of the men.

Senator HARDWICK. In other words, if a man has got a long schedule, 10 or 12 hours, even if the train is not late, you let him lay off the same amount of time he works?

Mr. DENNING. He lays off on a corresponding number of days. The 10-hour schedule of a train you mention would not alone give a clerk sufficient hours to entitle him to run four-on and four-off. The time of advance work would perhaps bring the continuous hours up to 12 to 14 hours. On the Ogden and San Francisco R. P. O. the practice formerly was for the men to run 6 days on and 8 off. Those men did 14 days' work in 6 before they rested.

Senator HARDWICK. And it is left this way because this route from Atlanta to Savannah is a long one?

Mr. DENNING. Well, it is 10 hours. We do not regard that as an unusual length of duty for a man to work before he rests. It would be very difficult to cut that off at eight hours and put another man on, because it would interfere with distribution to such an extent that they would never get the mail out without delaying it.

Senator HARDWICK. But allowing for the ordinary lateness of trains in these days, that is a pretty hard run?

Mr. DENNING. Yes, sir.

Senator SWANSON. You say you are considering a way to give him practical relief for the excess of time that they have on account of the trains being late?

Mr. DENNING. It would come about in this way: That relief would be by getting him a week off, by putting on an additional crew.

Senator SWANSON. It seems to me the only relief you give him is a kind of a paper and ink relief, contingent upon what happens next year.

Mr. DENNING. The train service heretofore has been so regular that you could almost bank on it a year in advance. The few instances where the train ran late can very well be taken care of in next year's organization.

The CHAIRMAN. I want to call your attention to a provision inserted in the last Post Office appropriation bill [reading]:

That hereafter any substitute railway postal clerk shall, after having performed service equivalent to three hundred and thirteen days, be appointed railway postal clerk of grade one, and in computing such service credit shall be allowed for service performed prior to the approval of this act.

What have you done with reference to that?

Mr. PRAEGER. As I recall it, all clerks who had a total of 313 days' work to their credit have been placed on the regular roll as regular clerks. I understand that is being automatically done whenever a man reaches 313 days' work.

The CHAIRMAN. Now, you have taken all that class on as regular clerks of grade 1? Is that true?

Mr. PRAEGER. Yes, sir; automatically.

The CHAIRMAN. And the bill provides:

And in computing such service credit shall be allowed for service performed prior to the approval of this act.

Mr. PRAEGER. We do that.

The CHAIRMAN. I see you have got \$2,000,000 of that appropriation unexpended.

Senator HARDWICK. How do you do that unless you spend the money that we appropriated for it? There is \$2,200,000 that you did not spend for that service that we appropriated. I was wondering how you did it and still did not spend the money.

Mr. PRAEGER. You simply increased the appropriation, did you not, \$2,000,000 to take care of that?

Senator HARDWICK. Yes.

Mr. PRAEGER. Well, they were paid out of the general lump-sum appropriation, whatever it was, instead of out of the \$2,000,000 in salary.

Mr. DENNING. On July 1, 1917, 1,517 substitute clerks were given regular appointments.

Senator HARDWICK. In other words, you carried out that provision of the law?

Mr. DENNING. On February 1, this year, we had 1,564 of those men on the rolls.

Senator HARDWICK. How many more is that than you had last year?

Mr. DENNING. Regular appointments have been given 47 men since July 1 last year.

Senator HARDWICK. Now, back to, say, July 1, 1916.

Mr. DENNING. Do you mean the number of substitutes we had on the rolls? There were 2,192 on the rolls July 1, 1916.

Senator HARDWICK. Well, are they carrying substitutes now just the same way that they were then?

Mr. DENNING. Every man enters the service as a substitute. When he performs 313 days' service he is given a regular appointment. We can not assign him to a line because we have no vacancies. We have to use him in miscellaneous assignments, and his appointment as a regular clerk—his name is maintained in its regular order, and he is given a vacancy on the line according to his seniority in the service.

Senator WEEKS. Now, I would like to have you, Mr. Praeger, or Mr. Denning, tell us how much delay is occasioned in the forwarding of mail by making distribution at terminals?

Mr. PRAEGER. There should be no delay, because no mail should be distributed at the terminals—we are talking now about important mail, letter mail, or even parcel post.

Senator WEEKS. I am talking about first-class mail, of course.

Mr. PRAEGER. There should be no delay, because the working of the mail in the terminals was of such mail as could be worked in the time available before the next dispatch.

Senator WEEKS. Is that rule always followed?

Mr. PRAEGER. We never authorize any diversion of mail from the road to the terminals, where it is feared that it can't be worked. Here is a typical instance: Once an application came to me to appoint a certain number of additional clerks on the Ash Fork-Los Angeles R. P. O. to work the mail from Los Angeles city. In looking into the case we found that this mail would reach Kansas City, say, at 2.15 in the morning, and go out at 7 or 9.30—something like that. There was ample time to work it in that dead time, so we had an investigation made and found that by taking some of the men into the Kansas City terminal who knew the Los Angeles distribution, they could work it in the spare time there. So it enabled us to save, by working that mail there, something like six or seven clerks. Now, it happens sometimes, Senator that even that kind of a plan goes wrong and the train comes in, say, at 8 o'clock or 8.30—it is delayed five or six hours—and the whole time that you should have advantage of is lost. Then that mail is thrown to the line. It is not held over for 24 hours and worked in the terminal.

Senator SWANSON. And any mail not distributed in the terminal is put on the train when it comes?

Mr. PRAEGER. Yes, sir.

Senator SWANSON. That is the general rule? For instance, take that Los Angeles case; when the train for Los Angeles came into Kansas City, any mail that was not distributed was put onto that train?

Mr. PRAEGER. From the terminal?

Senator SWANSON. Yes.

Mr. PRAEGER. Certainly, we would do that.

Senator SWANSON. Whether it had been distributed or not?

Mr. PRAEGER. Certainly.

Senator SWANSON. You would just throw it right onto the line and and let it be distributed?

Mr. PRAEGER. They would probably go in "stuck."

Senator WEEKS. Now take the Boston & Albany case as an illustration. If the mail were all distributed before it reached the terminal, the mail for Maine, for example, would go right along, would be transferred; but if it would have to be distributed after it reached the terminal, there would have to be a delay?

Mr. PRAEGER. It would go from the Boston & Albany to its Maine connection unworked, and would be worked on the train there.

Senator WEEKS. Would that always be true?

Mr. DENNING. Any unworked mail would not be held over in the terminal. It would be turned over to the line and the line would make an effort to distribute it.

Senator WEEKS. Now, take the local mail, how much delay would there be in the distribution of that?

Mr. PRAEGER. That would depend on how close a connection the incoming train would make.

Senator WEEKS. I want you to put into the record the reports that you have had of delays in distributing the mail, say, for the last six months—or since this change was made from 6.06 to 6.03—on the Boston & Albany service, compared with the same period before the change was made; so that I may be able to determine whether there has been a material slackening in the service in Boston. I think you can do that without much trouble.

Mr. PRAEGER. For how long do you want it?

Senator WEEKS. Take it from the period when you changed from six-six to six-three, up to some reasonable date, and a similar period before that.

Senator HARDWICK. Mr. Chairman, before we finish with these gentlemen I would like to have Mr. Denning, because I think he knows the details better, give us some explanation of this taking off of these cars and railway mail clerks on these short lines in all of our States.

Senator SWANSON. I have got to leave in a few minutes, and I would like to ask a few more questions now.

As I understand it, the Interstate Commerce Commission is considering now the compensation to be paid to these short lines?

Mr. PRAEGER. Yes, sir.

Senator SWANSON. Under what process is that being done, by the request of the short lines or the department?

Mr. PRAEGER. That is done automatically under the law.

Senator SWANSON. It is under the law, but do you make the request or the short line?

Mr. PRAEGER. We apply to the Interstate Commerce Commission to put lines on the space basis.

Senator SWANSON. Now, as I understand it, on the short line, if there is an express train or messenger on the car, he distributes these packages, parcel post and all, from place to place. Do you think it is a wise policy in the Government when it is competing with the express business, to leave the success of this parcel post on these short lines to the management of the express messenger?

Mr. PRAEGER. Yes. I don't think they abuse it. Sometimes they will be careless in throwing off a pouch. Our own mail clerks are careless about that sometimes.

Senator VARDAMAN. That judgment is based upon the fact that the clerk is not imbued with the spirit of his employer, I guess, though. Mr. Praeger.

Senator SWANSON. As I understand it, you pay them nothing for doing this? He does your work free and the express company pays him, and you have an idea that they will attend to your business of parcel post as well and encourage it and build it up, as they would the express business?

Mr. PRAEGER. The railroad pays the people who handle our mail.

Senator HARDWICK. But they do not pay them anything extra for that service.

Senator SWANSON. As I understand it, the railroads get a certain percentage of all that is made by these express people; and then if parcel post is diverted into the express business the railroads get some additional pay for it. but they do not get any additional pay to amount to anything for parcel post if it is carried through the mails. They simply get a little quantity of space there.

Mr. PRAEGER. The roads are fined if they do not render service. If the employee misthrows a pouch or if he carries a pouch past the road is fined.

Senator SWANSON. But they can discourage parcel post, can't they?

Mr. PRAEGER. Certainly. They do that anyhow. They are doing it through the merchants association now.

The CHAIRMAN. You say they are fined. Now, who imposes that fine, the railroads or the Post Office Department?

Mr. PRAEGER. If a baggage man or a railroad employee fails to throw off a pouch or render any service and creates any irregularity, it is a charge against the railroads.

Senator VARDAMAN. You mean you penalize the railroads for that?

Mr. PRAEGER. Yes, sir. Some roads collect it from the baggage man. Other roads pay the penalties themselves.

The CHAIRMAN. Now, I want to call your attention to a case that I have some personal knowledge of. This route is about 100 miles long. Heretofore it has had, and has now, two passenger trains each way a day. There are three courthouses on the line; one of these courthouses—courthouse towns—does a large business. It has five banks, two or three big department stores, and every few miles along that line there is a mine, a little town, and all that sort of thing. It connects at Sheffield. There are three towns around Sheffield known as the tri-cities. Now, with the Government activities there and all the local activities they have got about 50,000 people. The mail clerk has been taken off of that road and they have got to rely now on closed pouch, and I just want you to say whether or not you think that is fair to that great mail service, serving the people down there, in order that you might save a few dollars in the way of the salary of your man that was taken off?

Mr. PRAEGER. What is the road there—do you recall?

The CHAIRMAN. It is the Northern Alabama.

Mr. PRAEGER. Between what points?

The CHAIRMAN. Between Parrish on the Southern, on the main line of the Southern, and Sheffield, on the main line of the Memphis & Charleston. It connects at both ends with these main lines.

Mr. PRAEGER. I remember that, but I do not remember the details.

The CHAIRMAN. I called your attention to it, but I didn't get any relief when I did it.

Mr. DENNING. I don't recall the details of that case. I remember the case.

The CHAIRMAN. Well, we have got a closed pouch there, and I know if I wasn't a very good-natured man I couldn't stay here in Washington in the face of the appeals that have been made to me for some relief with reference to that situation. Now, the Frisco, the Illinois Central, and the Western Alabama all cross this short line at Jasper, and I don't think I misstate the case if I would say there is more mail going out of Jasper on this short line than there is on some of these main lines.

Mr. DENNING. We still have a clerk each way a day there, and closed pouch on the other two trains.

The CHAIRMAN. You took off one and left one?

The CHAIRMAN. I was doubtful whether there was a mail clerk on either train or not. I know you did take them off. You may have put one of them back.

Mr. DENNING. Yes, sir.

Mr. DENNING. A clerk each way was left on the line. The line is known as the Sheffield and Parrish (Ala.) railway post office and is 96 miles long. Prior to July, 1917, there was railway post office service over the line in two trains each way daily except Sunday. The R. P. O. service was withdrawn from one set of trains only, namely, trains 3 and 4, and closed-pouch exchanges were established on those trains. There were 13 intermediate post offices on this line having no other supply. Train 4 did not arrive at Sheffield until 10.15 p. m., and passed some of the offices after they had closed for the night. Four offices did not exchange mail with that train. One office did not exchange mail with train 3. The local mail between the several intermediate post offices which was carried by trains 3 and 4 was very small. The compensation paid by the department for hauling the 15-foot apartment car in trains 3 and 4 was \$4,893.44. The cost for the closed-pouch service which was substituted in those trains was \$1,067.33. The saving in space, resulting from this change, was \$3,826.11, besides the amount saved from clerical force sufficient to make an aggregate saving of approximately \$5,500 a year.

Senator France mentioned a change in the service on the line between Massey and Chestertown, Md. The facts in the case are as follows:

Prior to June, 1917, a line known as the Massey and Chestertown railway post office was operated between Townsend, Del., and Chestertown, Md., 29 miles, via Massey, Md. That part of this line between Townsend and Massey was covered by another railway post

office. There were five post offices on the line between Massey and Chestertown, including the latter. A 15-foot apartment car was hauled over the line in two trains each way daily except Sunday. The cost to the department for operating the mail apartment car was \$4,732.80 a year. The railway post office service was withdrawn and the system of closed-pouch exchanges was established on the same trains at a cost of \$696.48 a year, saving in space \$4,036.32, and in clerical force \$1,200, making a total saving of \$5,236.32 per annum.

Senator Hardwick asked for certain information in regard to the reorganization of the Tennille and Hawkinsville, Ga., R. P. O. The report of inspectors shows that the line is 75.10 miles in length and that all trains are mixed and the schedules very slow. Fifteen-foot apartment cars were authorized in trains 1, 2, 3, and 4, daily, except Sunday. Some of the offices were supplied on Sundays by closed-pouch service. Two men were assigned to the line with relief every fifth week. The quantity of mails distributed in trains 2 and 3 was very small. There are nine intermediate post offices without other R. P. O. supply. It appeared that service by postal clerk could be withdrawn from trains 2 and 3 and closed-pouch service substituted therefor, thereby releasing one clerk from the line. The economy resulting from such action is \$4,419.78 per annum. Service by postal clerk on trains 1 and 4 still remains. The system of closed-pouch exchanges provided on trains 2 and 3 to and from the post offices involved is very complete. Train 3 carries pouches made by Atlanta and Savannah clerk for Dublin, Harrison, Donovan, Wrightsville, Spann, Lovett, Dexter, Chester, Younkers, and Hawkinsville. Tennille sends pouches for Harrison, Wrightsville, Dublin, and Hawkinsville. Dublin sends pouches for Dexter, Chester, Younkers, Empire, and Hawkinsville. Dublin receives pouches from Harrison, Wrightsville, Spann, and Lovett.

Train 2 carries pouches for Atlanta and Savannah clerk from Dublin, Wrightsville, Hawkinsville, Younkers, Chester, Dexter, Lovett, Spann, Donovan, and Harrison for Tennille, made by Hawkinsville, Dublin, Wrightsville, and Harrison, for Dublin, made by Hawkinsville, Empire, Younkers, Chester, and Dexter. Dublin sends to Lovett, Spann, Wrightsville, and Harrison. Empire sends to Younkers, Chester, and Dexter. Hawkinsville sends to clerk on Atlanta and Savannah train one who exchanges with all offices.

In this connection I wish to call attention to an editorial in the Macon (Ga.) News of February 11, 1918, under the caption "Some facts for Burleson."

The editorial is grossly exaggerated and misleading, no doubt being based upon incorrect information furnished by some disgruntled employee, and I do not feel that it should pass unnoticed. One of the first misstatements is that the Postmaster General knows that the present General Superintendent of the Railway Mail Service never had more than six months of actual experience on the road. This being somewhat personal to myself, and being proud of the 15 years' experience I have had in the various branches of the Postal Service, I will not go into details further than to say that the statement regarding my experience as a road clerk is absolutely false.

The editorial states that [reading]:

He—

The Postmaster General—

surely must know that periodicals are delayed not because of railway congestion so much as because it is cheaper to send them by steamer to Savannah or Jacksonville from New York, and that they are held in New York and other large cities waiting for steamers to sail.

A woeful lack of knowledge of railway conditions is displayed in the above statement. This country is at war with Germany and preparations are being made on a gigantic scale. The railroads in the eastern part of the United States are taxed beyond their capacity. Because of the great congestion in railway traffic from New York to southern points, the department was forced early in December to utilize steamship sailings for the shipment of large quantities of parcel post and circular mails. Because of the demoralized train service and the missed connections at Washington, D. C., Atlanta, Ga., and Florence, S. C., the steamship schedule is rarely more than 24 hours longer than the actual performance by rail. During the month of November the railroad companies failed to provide at Washington 27 cars that were ordered by the Post Office Department for the shipment of mails to southern points. This was before we began boat shipments. During the month of December 145 cars were asked, and the department had to accept in lieu thereof 60 freight cars which were operated on fast freight train schedules but slower than the schedules by boat. During the month of January the companies failed to provide 80 cars requested by the department. All these cars were needed to care for mails on the regular trains to southern points. The companies were unable to furnish cars because the War Department had requisitioned so many to care for the movements of equipment for the troops. As a patriotic duty the department could not do otherwise than ask the indulgence of the public in the delay in the delivery of parcel post and circular mails about 24 hours. The War Department needed the cars and used them. They were not available to the Post Office Department, and the only alternative was to utilize as much as possible shipments by steamboat. It is regretted that in a few instances daily papers, special delivery, and perishable parcel post in small quantities inadvertently got into the boat shipments. Every precaution is taken to prevent this class of mail getting into sacks intended to go by boat.

The following is quoted from the editorial:

Is it not a fact that if a citizen wants to get a letter from Wrightsville to Dublin the letter has to travel to Hawkinsville or Tennille and then come back?

From the reading of the editorial the obvious impression sought to be conveyed is that letters from Wrightsville to Dublin are delayed through being carried to Hawkinsville or Tennille on one train and returned on another. Letters between these points are not handled in that manner. No delay whatever occurs to letters between these points through any change made in the service. The most astounding statement is made that through curtailment of service on the Wrightsville & Tennille Railroad 13 men were put on the surplus list. Never at any time has there been more than two men assigned

to this line, with relief clerk every fifth week. One man was withdrawn and placed on the surplus list through the substitution of closed-pouch service on one set of trains each way, there still remaining one clerk each way on another set of trains.

The editor further states that—

Perhaps it would be interesting to Albert Sidney Burleson to know that there is circular-letter mail at Station A, Jacksonville, Fla., which has been there three months.

In answer to this I quote the following telegram to the First Assistant Postmaster General from the postmaster at Jacksonville:

Statement Macon News 11th absolutely false. No great delays at any time at Station A.

From testimony I have already given in regard to daily average hours of duty the inference is plain that the following statement from the editorial is deliberately calculated by the editor's informant to mislead him and the public:

Testimony by Denning and Otto Praeger was to the effect that no railway-mail clerk had to work more than eight hours a day. And yet it is a fact that on a certain line running through Macon postal clerks have been on duty 40 hours.

Under date of February 18, the Macon (Ga.) News published another long editorial attacking the Post Office Department, which does not contain anything new or worth noticing, except the following:

Almost at hazard we glance at the littered desk on which these lines are written, and from the top of the pile pick up this letter:

BONI & LIVERIGHT (INC.), PUBLISHERS,
105 West Fortieth Street, New York City,
January 31, 1918.

MACON NEWS,
Macon, Ga.:

We are sending you to-day seven books for review. * * * If these volumes do not reach you in a few days will you please advise us?

Faithfully,

BONI & LIVERIGHT (INC.),
HORACE B. LIVERIGHT, *President*.

Well, this is the 18th day of February, and they haven't reached us yet.

It has been ascertained from Boni & Liveright, publishers, that they did not make the shipment of books *by express* as they intended on the date of their letter, namely, January 31, because it was discovered that the edition was not complete. They were, however, shipped under date of February 18, by express. The editor will not deny that the impression he intended to convey was that the books had been shipped on January 31 *by mail*, and that the mail service was so inefficient that they had not been delivered.

Senator Weeks requested certain information regarding the reorganization of the Boston & Albany R. P. O. Effective August 1, 1917, it was changed to a three-crew basis as against four crews prior to that date. The organization approved at that time provided that the men be on duty an average of 6 hours and 12 minutes a day, all delays, overtime, etc., included, figured on a basis of six days a week. These figures were, of course, based upon the late running of trains for one year previous to August 1, 1917, and the delays were not so great as during recent months.

Some of the men are scheduled to run three days on the road with four days off, while others are scheduled to run six days on with three days off. As an example, we will take the case of men assigned to run on trains 13 and 14 between Boston and Pittsfield, Mass. One crew leaves Boston Mondays, Tuesdays, and Wednesdays, the other leaving Thursdays, Fridays, and Saturdays. Leaving Boston at 2 p. m., after having been employed in the mail car for two hours at the station, the clerk arrives at Pittsfield at 6.22 p. m., leaves at 7.25 p. m., and arrives at Boston 25 minutes past midnight. The clerk makes three trips like this and then remains at home four days. The clerks who run through between Boston and Albany operate on what is termed "a six days and three days off schedule"; that is, if they perform any service in any one 24-hour period beginning midnight, it is termed a day on. For instance, the clerks operating on trains 35 and 18 leave Boston at 6.30 p. m., in train 35, say, Monday, after doing 4 hours and 30 minutes' work in the mail car in the yards, arrive at Albany, N. Y., at midnight, and remain there until the next day at 1.10 p. m., leave at 2.40 p. m. on train 18, and arrive at Boston at 8.35 p. m. Tuesday. Three trips are made like this, the clerk going west Mondays, Wednesdays, and Fridays, and then he remains off three full days. Even while he is on the road he is given 11 hours and 10 minutes rest at Albany and 17 hours and 25 minutes at Boston between trips, and which is not counted in the time off when the term "six days on and three off" is used.

As heretofore stated in my testimony, data are being collected, and if it is shown that the daily average of the clerks is excessive relief will be provided.

In answer to the statement of Senator Weeks to the effect that he had been informed that Chief Clerk Canfield had opposed the reorganization, I will state that under date of January 22, 1917, Mr. Canfield proposed a reorganization of the Boston & Albany R. P. O. substantially the same as that in essential details subsequently recommended by the post-office inspectors. The superintendent of the division stated that the plan of reorganization he had suggested to the inspectors agreed in all except a few minor points.

Senator Weeks also stated that it had been represented to him that since the reorganization many of the men had resigned and some had died from overwork. The files show that out of 149 men provided for the time 2 have resigned and 1 has died since the crews were placed on a six-on and three-off basis, August 1, 1917. The average percentage of resignations for the past 10 years throughout the entire Railway Mail Service is 2.3 per cent. The resignations on the Boston & Albany since the reorganization went into effect is 1.3 per cent, or at the rate of 2.6 per cent per annum. This certainly does not represent any abnormal condition.

In compliance with request I submit a report of unworked mails on the Boston & Albany covering the period from the date of the reorganization in August, 1917, to February 9, 1918; also a report covering a similar period the previous year.

The CHAIRMAN. They will be printed in the record.

Weekly report of unworked mail in the Boston and Albany R. P. O. for 25 weeks commencing Aug. 20, 1917.

Week ended.	Packages of letters.	Sacks of papers.	Reasons given by clerks.
Aug. 25, 1917	10,353	807	Unusual conditions; new assignments; delayed connections; extra mail from southern terminal R. P. O.
Sept. 1, 1917	9,638	577	Not room enough; reorganization; insufficient help; delayed mail; not enough letter cases.
Sept. 8, 1917	4,666	482	Heavy mail; reorganization; not enough space; insufficient help; short of letter case room.
Sept. 15, 1917	5,247	554	City clerk on other distribution; car placed late; delayed and extra connections.
Sept. 22, 1917	3,936	235	Delayed mail due train 45; extra connection; heavy mail; reorganization.
Sept. 29, 1917	4,619	406	Delayed mail; unable to complete distribution.
Oct. 6, 1917	7,875	721	Unable to complete distribution.
Oct. 13, 1917	4,073	726	Delayed mail; heavy mail; unable to complete distribution.
Oct. 20, 1917	5,641	513	Delayed mail; not space enough; clerks not familiar with distribution.
Oct. 27, 1917	5,036	300	Delayed mail; heavy mail; unable to complete distribution.
Nov. 3, 1917	7,197	774	Do.
Nov. 10, 1917	2,188	334	Delayed mail; insufficient case room.
Nov. 17, 1917	2,875	55	Insufficient help; extra connection and delayed mail.
Nov. 24, 1917	1,826	122	Unworked mail from New York and Chicago; delayed mail; insufficient space.
Dec. 1, 1917	2,298	302	Delayed mail; extra connections.
Dec. 8, 1917	1,231	111	Delayed mail; heavy pouch mail; unable to complete distribution.
Dec. 15, 1917	1,157	94	Delayed connections; mail due to be worked in post offices totaled more than the unworked mail.
Dec. 22, 1917	10,617	1,070	Holiday mails received; delayed mails; insufficient room.
Dec. 29, 1917	4,298	386	Heavy holiday mail; unworked mail from New York and Chicago and Boston post offices.
Jan. 5, 1918	2,926	213	Delayed mail; unworked mail from New York and Chicago; cars placed late at Albany; light failures, unworked mail from Boston post office.
Jan. 12, 1918	1,778	122	Delayed mail; unworked mail from New York and Chicago, 7 pouches due to be worked in Boston post office.
Jan. 20, 1918	2,455	59	Delayed mail; extra connections; 12 pouches due to be worked in Boston post office.
Jan. 27, 1918	1,384	21	Delayed mail; 1 clerk short on train 6; no empty equipment at Albany.
Feb. 2, 1918	1,119	97	Delayed connections; extra mail.
Feb. 9, 1918	3,115	89	Delayed connections; extra mail; delayed mail.

(The report for the previous year is here printed in full, as follows:)

Weekly report of unworked mail in the Boston and Albany R. P. O. for 25 weeks commencing Aug. 27, 1916.

Week ended.	Packages of letters.	Sacks of papers.	Reasons given by clerks.
Aug. 27, 1916	53	.....	Double connection received at Albany. Substitute in place of regular clerk.
Sept. 2, 1916	206	129	Delayed mail and no chance for advance work in train 18.
Sept. 10, 1916	336	60	Delayed connections; late placing of car at Albany.
Sept. 17, 1916	49	93	Heavy mails.
Sept. 24, 1916	100	8	Delayed connections; heavy mail.
Oct. 1, 1916	700	129	Do.
Oct. 8, 1916	628	219	Delayed connections; received 19 sacks single wraps at Springfield.
Oct. 15, 1916	327	100	Delayed connections; inexperienced substitute.
Oct. 22, 1916	700	234	Delayed connections; heavy mail.
Oct. 29, 1916	420	77	Delayed connections; heavy mail; substitute clerk running for regular clerk.
Nov. 5, 1916	946	186	Delayed connections; heavy delayed mail.
Nov. 12, 1916	824	186	Heavy delayed mail; relief clerks unfamiliar with duties.
Nov. 19, 1916	505	244	Delayed and extra mail; unworked mail from B. S. & N. Y. 70.
Nov. 26, 1916	526	67	Delayed mail; only one city clerk in crew.
Dec. 3, 1916	926	294	Delayed connections.
Dec. 10, 1916	398	30	Do.
Dec. 17, 1916	1,974	261	Do.
Dec. 24, 1916	13,446	1,489	Delayed connections; extra heavy Christmas mail.
Dec. 31, 1916	11,021	2,033	Delayed connections; heavy mail.
Jan. 7, 1917	3,498	488	Delayed connections; received large amount of single wraps; two clerks on vacation.
Jan. 14, 1917	826	551	Delayed connections; received 30 sacks single wraps at Springfield.
Jan. 21, 1917	373	117	Delayed connections; heavy mail at Springfield.
Jan. 28, 1917	1,218	219	Delayed mail; extra heavy mail.
Feb. 3, 1917	1,559	71	Delayed mail; short helper Worcester to Albany; heavy circular mail.
Feb. 11, 1917	3,788	338	Delayed mails; unable to complete distribution; extra heavy mails.

The increase in amount of unworked mails over the previous year is not due necessarily to the reorganization except for a few weeks after the changes went into effect. Neither should it be understood that all these unworked mails were delayed. Perhaps 75 per cent were distributed in the post offices or railway post offices and delivery or dispatch effected without delay. The greater part of the unworked Boston city mail missed the carrier delivery for which intended because of the late arrival of the trains, and as a consequence it was worked in the Boston post office before the next scheduled carrier trip. Then, again, the late running of trains and the receipt of delayed connections made it impossible to man the lines so as to take care of large quantities of mails that could not be anticipated. This condition is true on lines that have not been reorganized. In fact, one line which the inspectors recommended go on a three-crew basis but on which as yet no change has been made, a much larger amount of undistributed mail is reported, due to demoralized train service. It will also be noted that for beginning with the week ended December 15, 1917, an improvement is shown over the record for a corresponding period of the previous year.

The CHAIRMAN. How many clerks have been transferred due to reorganization?

Mr. DENNING. As a result of reorganization 965 clerks were released from lines. These clerks were transferred to vacancies on other lines or carried in miscellaneous assignments at their same salaries until there was an opportunity to place them in vacancies of their grade and pay.

The CHAIRMAN. How many have been reduced in salary?

Mr. DENNING. Rather than accept a transfer to a line carrying their grade and pay 192 surplus clerks voluntarily asked at the time the reorganization went into effect for a reduction in order to remain on their line. Since the reorganizations 73 clerks who had elected to go on the surplus list and accept employment in miscellaneous assignments have asked for reductions in salary in order to secure permanent assignment on their line. When a line was reorganized and it was necessary to relieve clerks from the line, the clerks were given the option of going on the surplus list and being carried there on the surplus list until a place could be found for them on another line or on the reorganized line, if possible, carrying their salaries, or of going to other assignments carrying a salary not less than the salary they were then receiving. The instructions provided that if a clerk elected to remain on the same line he could do so provided he would accept reduction to grade called for by the classification of the line. If he elected to be transferred he would continue to receive the same salary he had been receiving until we had an opportunity to place him in another assignment carrying his salary.

The CHAIRMAN. Wasn't the law sufficient to permit the department to pay them the salaries they had been receiving?

Mr. DENNING. Yes, sir. They were paid the salaries they had been receiving until the department received applications from them for assignment to vacancies in their lines at reduced salaries. If they had not requested reduction, the department would have carried them at the same salaries until there was an opportunity to place them in vacancies of their respective grades and pay.

The CHAIRMAN. Is it true that a number of old men have been dropped from the service; if so, what is the reason for it?

Mr. DENNING. We dropped from the rolls without prejudice 37 clerks, because it was not believed they could render satisfactory service in other assignments in the Railway Mail Service. Their names were reported to the Civil Service Commission, in the thought that some place could be found in other branches of the Government service. The following is a copy of the letter to the commission transmitting their names [reading]:

CIVIL SERVICE COMMISSION,
Washington, D. C.

GENTLEMEN: The following-named railway postal clerks have been dropped from the rolls of the Railway Mail Service for the reason that there is a large number of surplus clerks for whom no permanent assignments are available.

This list of names is furnished you in accordance with statement made to these clerks that their names would be reported to the commission in order that consideration might be given their reinstatement in some other branch of the service or in some other department in the event a suitable vacancy should occur for which they are eligible and in which they are capable of performing satisfactory service.

(Names omitted.)

Very respectfully,

OTTO PRAEGER,
Second Assistant Postmaster General.

The CHAIRMAN. Are not those men even more efficient than some uncertified employees who have since been temporarily appointed?

Mr. DENNING. They were dropped because it was apparent they could not render satisfactory service in other assignments. The uncertified employees have for the most part been engaged upon work in the nature of laborer's work.

The CHAIRMAN. How many owners of homes have been required to change their places of residence?

Mr. DENNING. The records of the department indicates that 204 clerks owning homes were required to move. However, it should be borne in mind that many of those who had homes and who moved did so in order to retain their salaries rather than take the salaries called for by the reorganization of the line.

Mr. CHAIRMAN. How much reduction in space in the Railway Mail Service has been effected in the past two years? How much reduction has been made since November 1, 1916, when the space system was started?

Mr. DENNING. The reduction in space in the Railway Mail Service effected in the past two years can not be stated in view of the fact that previous to November 1, 1916, compensation for carrying the mail was stated on a weight basis and no space was stated except on such trunk lines as carried authorizations for railway post-office cars.

For the period from November 1, 1916, when the space system was inaugurated, to December 31, 1917, there was a reduction in space of approximately 14.98 per cent or equivalent to the operation of a 60-foot car 40, 864, 666.59 miles per annum.

The CHAIRMAN. This committee (Senate Committee on Post Offices and Post Roads) placed two sections in the current appropriation bill—one to protect railway postal clerks against salary reductions, another to provide a regular salary to substitutes by appointing them to grade 1 after 313 days of actual service. It is my understanding that these laws are not applied as intended. Can you give us any information on these two matters?

Mr. DENNING. The current appropriation act provides that when railway postal clerks are transferred from one assignment to another because of changes in the service, their salaries shall not be reduced by reason of such change. The department has applied the provisions of this act exactly in accordance with what we believe was intended. The act approved August 24, 1912, directs the Postmaster General to classify and fix the salaries of railway postal clerks in the grades provided by law and for the purpose of organization and of establishing maximum grades to which promotions may be made successively as therein provided. He is directed to classify railway post offices, terminal railway post offices, and transfer offices with reference to their character and importance in three classes. Because of changes in schedules of mail trains, mails are frequently diverted from one line to another and the mail remaining with the line from which the diversion is made in many cases results in the line having to be reclassified with reference to its character and importance. The law authorizes certain salaries to be paid to clerks employed in the respective classes of railway post-office lines. The act of March 3, 1917, quoted above prohibits the Postmaster General from reducing the salary of any clerk who is transferred from one assignment to another because of reorganizations. It is not understood how it can be contended that even though one-quarter, one-half, or three-fourths of the mail may be diverted from one line to another that the clerks shall be retained at their same salaries on the line from which the mails are diverted. This certainly would not be good business administration. The department arranges for the transfer of clerks released from the line to vacancies on other lines of their grade and salary. The only clerks who have been reduced are those who ask for such reduction in order to stay on their own line. In many cases this resulted in forcing the junior clerks off the line for transfer elsewhere.

All substitute railway postal clerks are appointed regular clerks of grade 1 at \$900 per annum after the performance of 313 days' service. As previously stated in my testimony, 1,517 substitutes were given regular appointments on July 1, 1917, and at the present time this number is 1,564. These clerks are paid for service actually performed. They are eligible for automatic promotions after one year of service as regular clerks. It has always been the practice in the Railway Mail Service to pay clerks for service actually performed. If the substitute clerks who have been given regular appointments were paid whether or not any service was performed, a like procedure would necessarily have to be followed in the case of any regular clerk. Statistics show that for the four months beginning July 1, 1917, the average number of days worked by the unassigned clerks was 26 days. Every effort possible is made to keep the unassigned men employed. The following is quoted from the civil-service rules [reading]:

There is nothing in the law or rules to compel the retention of an employee whose services are not needed, and it is the implied intent and understanding when the service begins, that in such event, the employee will be discharged. The Government does not contract to keep its employees in its service if their services are not needed. (*Brown v. United States*, 39 C. Cls., 255; *Stilling v. United States*, 41 C. Cls., 61; *Wheelock v. United States*, 46 C. Cls., 1.)

In view of the foregoing we felt constrained to pay for actual service, or grant furloughs without pay for days on which no service was required.

The CHAIRMAN. It has been said that clerks worked excessive overtime, due to late trains, extra holiday service, etc. Do you think they should be given additional pay for overtime worked?

Mr. DENNING. As heretofore shown, railway postal clerks receive pay for all overtime through an adjustment which gives them credit in their daily average for all overtime for the previous year. Therefore, any additional pay for overtime would be in the nature of a gratuity.

The CHAIRMAN. There seems to be a general criticism of the decreased efficiency of the Postal Service, particularly the Railway Mail Service. Numerous editorials have been printed throughout the country. What can this committee do to remedy the causes for complaint?

Mr. DENNING. A campaign for the apparent purpose of discrediting the Postal Service is being waged by certain organizations, which are heavily financed. They are taking advantage of the abnormal conditions that have prevailed in this country almost since the beginning of the European war. The campaign of misrepresentation has gone to such an extent that reporters and editors apparently no longer make any effort to verify statements that are made to them by the enemies of the Postal Service, and, I believe, enemies of this country. We have not the time to answer all the misstatements that are made, but one of the editorials which I have answered in my testimony shows how false and misleading are the so-called "facts" presented. It has been observed that at least four newspapers have carried editorials with identically the same heading and the same write up criticising the Railway Mail Service. If these editorials were not prepared by a syndicate engaged in misrepresenting the Post Office Department, it seems strange that four editors on four different papers, that are in no way connected with each other, should have editorials identically alike. We frequently see the charge made that the department stifles criticism by its employees. Such a charge is false and ridiculously absurd. It is manifest that we desire to serve the public, and I challenge anyone to refer to a single instance that has been brought to my attention where service has not been authorized that good business administration required be established. Railway postal clerks are at liberty to make public any such conditions. We will not tolerate misrepresentation on the part of clerks. If any clerk knows of an instance where the service could be materially improved, it is his duty to bring it to the attention of his supervisory officer.

Some of the complaints regarding the Railway Mail Service may have a legitimate foundation. I do not claim that the service is 100 per cent perfect, but I do claim that it is more efficient than any service performed by the railroads or other public utilities. No one expects at the present time the same service by freight, passenger, or express that he received two years ago. We do not get the efficient telephone service that we have been accustomed to receive. Recently this office received a letter from an organization representing eight large poultry breeders in Ohio, asking that chickens be admitted to

the parcel post inasmuch as the express service could no longer be depended upon. The statement was made that it required five days to make shipments from 300 to 500 miles by express. It was represented that this virtually destroys the poultry breeders' business in the sale of day-old chicks.

The officials of the Railway Mail Service are aggressive, wide awake, and average 10 to 12 hours' service almost daily. They realize that they must be on the job constantly in order to cope with the many intricate complications that develop under the demoralized train service. In every instance where it develops that through the expenditure of money the service can be materially improved, the officials do not hesitate to recommend the additional expenditure, and such recommendation is almost invariably approved by the department. I thank you, gentlemen.

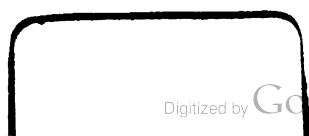
The CHAIRMAN. If there is nothing further to come up, the committee will stand adjourned.

(Thereupon, the committee adjourned to meet at the call of the chairman.)

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